

**City of Wimberley**

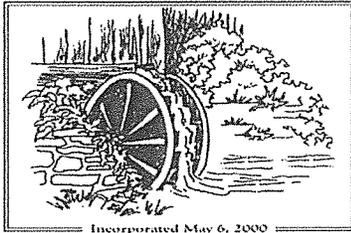
**City Council Meeting**

**Agenda Packet**

**October 6, 2016**

**6:00 p.m.**

**PART ONE OF TWO**



# City of Wimberley

221 Stillwater, P.O. Box 2027, Wimberley, Texas 78676

**REGULAR CITY COUNCIL MEETING**  
**CITY COUNCIL CHAMBERS – WIMBERLEY CITY HALL**  
**221 STILLWATER, WIMBERLEY, TEXAS**  
**OCTOBER 6, 2016 - 6:00 P.M.**

## AGENDA

CALL TO ORDER                      OCTOBER 6, 2016 @ 6:00 P.M.

CALL OF ROLL                        CITY SECRETARY

INVOCATION

PLEDGE OF ALLEGIANCE/SALUTE TO THE TEXAS FLAG

PROCLAMATION

PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF WIMBERLEY, TEXAS HONORING HAYS COUNTY PRECINCT THREE DEPUTY CONSTABLE TRAVIS BROWN FOR HIS RECENT RECOGNITION AS THE 2016 PATRIOT OF THE YEAR.

REMARKS BY MAYOR MAC MCCULLOUGH

CITIZENS COMMUNICATIONS

*THE CITY COUNCIL WELCOMES COMMENTS FROM CITIZENS ON ISSUES AND ITEMS OF CONCERN, NOT ON THIS AGENDA. THOSE WISHING TO SPEAK MUST SIGN IN BEFORE THE MEETING BEGINS AND OBSERVE A THREE-MINUTE TIME LIMIT WHEN ADDRESSING COUNCIL. SPEAKERS WILL HAVE ONE OPPORTUNITY TO SPEAK DURING THE TIME PERIOD. SPEAKERS DESIRING TO SPEAK ON AN AGENDA ITEM WILL BE ALLOWED TO SPEAK WHEN THE AGENDA ITEM IS CALLED. INQUIRIES ABOUT MATTERS NOT LISTED ON THE AGENDA WILL EITHER BE DIRECTED TO STAFF OR PLACED ON A FUTURE AGENDA FOR COUNCIL CONSIDERATION.*

**1. CONSENT AGENDA**

*THE FOLLOWING ITEMS MAY BE ACTED UPON IN ONE MOTION. NO SEPARATE DISCUSSION OR ACTION IS NECESSARY UNLESS REQUESTED BY A COUNCIL MEMBER OR CITIZEN, IN WHICH EVENT THOSE ITEMS WILL BE PULLED FROM THE CONSENT AGENDA FOR SEPARATE CONSIDERATION.*

- (A) APPROVAL OF MINUTES OF THE REGULAR CITY COUNCIL MEETING OF SEPTEMBER 15, 2016.
- (B) APPROVAL OF MINUTES OF THE SPECIAL CITY COUNCIL MEETING OF SEPTEMBER 21, 2016.
- (C) APPROVAL OF MINUTES OF THE SPECIAL CITY COUNCIL MEETING OF SEPTEMBER 26, 2016.
- (D) APPROVAL OF THE REAPPOINTMENT OF NEEL MORTON TO THE CITY OF WIMBERLEY BUILDING CODE BOARD OF REVIEW. *(PLACE THREE COUNCIL MEMBER SALLY TRAPP'S NOMINEE)*
- (E) APPROVAL OF THE APPOINTMENT OF LINDA WEBB TO THE CITY OF WIMBERLEY HOTEL OCCUPANCY TAX ADVISORY COMMITTEE. *(WIMBERLEY VALLEY CHAMBER OF COMMERCE)*
- (F) APPROVAL OF THE FISCAL YEAR 2017 CITY OF WIMBERLEY HOLIDAY SCHEDULE.

**2. CITY ADMINISTRATOR REPORT**

- STATUS REPORT ON CENTRAL WIMBERLEY WASTEWATER PROJECT
- STATUS REPORT ON LA BUENA VISTA ROADWAY IMPROVEMENT PROJECT
- STATUS REPORT ON DEER CROSSING DRAINAGE AND ROAD IMPROVEMENT PROJECT
- STATUS REPORT ON SCUDDER ELEMENTARY SCHOOL TRAFFIC CONCERNS
- STATUS REPORT ON RIVER ROAD RIVERBANK RESTORATION PROJECT

**3. PRESENTATIONS**

- (A) PRESENTATION REGARDING THE VARIOUS EMERGENCY PHONE NOTIFICATION SYSTEMS AVAILABLE TO RESIDENTS OF HAYS COUNTY. *(HAYS COUNTY EMERGENCY MANAGEMENT COORDINATOR KHARLEY SMITH)*
- (B) PRESENTATION OF HOTEL OCCUPANCY TAX FUNDING RECOMMENDATIONS FOR THE PERIOD FROM OCTOBER 2016 THROUGH DECEMBER 2016. *(CITY OF WIMBERLEY HOTEL OCCUPANCY TAX ADVISORY COMMITTEE CHAIR TOMAS PALM)*

**4. DISCUSSION AND POSSIBLE ACTION**

- (A) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING HOTEL OCCUPANCY TAX FUNDING PROPOSALS FOR THE PERIOD FROM OCTOBER 2016 THROUGH DECEMBER 2016. *(MAYOR MAC MCCULLOUGH)*

- (B) DISCUSS AND CONSIDER POSSIBLE ACTION ON ISSUES REGARDING THE CITY OF WIMBERLEY HOTEL OCCUPANCY TAX RATE. *(PLACE THREE COUNCIL MEMBER SALLY TRAPP)*
- (C) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING PLANS FOR THE 2016 GUY FAWKES FESTIVAL ON NOVEMBER 5, 2016. *(CITY ADMINISTRATOR)*
- (D) DISCUSS AND CONSIDER POSSIBLE ACTION AWARDING A CONTRACT FOR WASTEWATER IMPACT FEE PREPARATION SERVICES. *(CITY ADMINISTRATOR)*
- (E) DISCUSS AND CONSIDER POSSIBLE ACTION AWARDING A CONTRACT FOR PROJECT MANAGEMENT RELATING TO THE CONSTRUCTION OF THE CENTRAL WIMBERLEY WASTEWATER SYSTEM. *(CITY ADMINISTRATOR)*
- (F) DISCUSS AND CONSIDER POSSIBLE ACTION ON ISSUES STEMMING FROM A SECOND MEETING BETWEEN REPRESENTATIVES OF THE CITY OF WIMBERLEY AND AQUA TEXAS RELATING TO THE PROVISION OF WASTEWATER TO CENTRAL WIMBERLEY. *(PLACE THREE COUNCIL MEMBER SALLY TRAPP)*
- (G) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING A PROPOSAL TO WAIVE BUILDING PERMIT FEES FOR THE CONSTRUCTION OF RESIDENTIAL AND COMMERCIAL RAINWATER COLLECTION SYSTEMS. *(PLACE FOUR COUNCIL MEMBER GARY BARCHFELD)*
- (H) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING THE PROPOSED AMENDMENT OF THE WIMBERLEY CITY COUNCIL GOVERNANCE POLICY TO INCLUDE REQUIREMENTS RELATING TO THE CHANGE OF CITY COUNCIL MEETING DATES, TIMES AND PLACES. *(PLACE TWO COUNCIL MEMBER CRAIG FORE)*
- (I) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING A PROPOSAL TO CANCEL THE DECEMBER 15, 2016 REGULAR CITY COUNCIL MEETING. *(PLACE THREE COUNCIL MEMBER SALLY TRAPP)*
- (J) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING A REQUEST FROM THE COUNTY OF HAYS FOR THE CITY OF WIMBERLEY TO WAIVE A PORTION OF THE CITY'S BUILDING PERMIT FEES FOR THE PLANNED CONSTRUCTION OF THE HAYS COUNTY PRECINCT THREE OFFICES AT 200 STILLWATER. *(CITY ADMINISTRATOR)*
- (K) DISCUSS AND CONSIDER POSSIBLE ACTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO NEGOTIATIONS REGARDING THE POSSIBLE DEVELOPMENT OF A LICENSE AGREEMENT RELATING TO USE OF A CITY-OWNED 0.158 ACRE TRACT OF PROPERTY LOCATED AT THE INTERSECTION OF RANCH ROAD 12 AND FM 2325. *(CITY ADMINISTRATOR)*

5. CITY COUNCIL REPORTS

- ANNOUNCEMENTS
- FUTURE AGENDA ITEMS

ADJOURNMENT

THE CITY COUNCIL MAY RETIRE INTO EXECUTIVE SESSION AT ANY TIME BETWEEN THE MEETING'S OPENING AND ADJOURNMENT FOR THE PURPOSE OF DISCUSSING ANY MATTERS LISTED ON THE AGENDA AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE INCLUDING, BUT NOT LIMITED TO, HOMELAND SECURITY PURSUANT TO CHAPTER 418.183 OF THE TEXAS LOCAL GOVERNMENT CODE; CONSULTATION WITH LEGAL COUNSEL PURSUANT TO CHAPTER 551.071 OF THE TEXAS GOVERNMENT CODE; DISCUSSION ABOUT REAL ESTATE ACQUISITION PURSUANT TO CHAPTER 551.072 OF THE TEXAS GOVERNMENT CODE; DISCUSSION OF PERSONNEL MATTERS PURSUANT TO CHAPTER 551.074 OF THE TEXAS GOVERNMENT CODE; DELIBERATIONS ABOUT GIFTS AND DONATIONS PURSUANT TO CHAPTER 551.076 OF THE TEXAS GOVERNMENT CODE; DISCUSSION OF ECONOMIC DEVELOPMENT PURSUANT TO CHAPTER 551.087 OF THE TEXAS GOVERNMENT CODE; ACTION, IF ANY, WILL BE TAKEN IN OPEN SESSION.

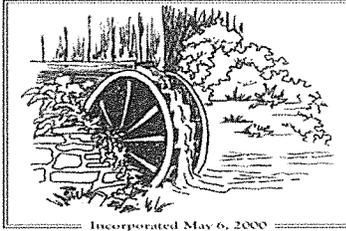
CERTIFICATION

I hereby certify the above Notice of Meeting was posted on the Bulletin Board at the Wimberley City Hall on September 29, 2016 at 10:00 p.m.



\_\_\_\_\_  
Cara McPartland, Assistant City Administrator/City Secretary

The City of Wimberley is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please contact Don Ferguson, City Administrator, at (512) 847-0025 for information. Hearing-impaired or speech-disabled persons equipped with telecommunication devices for the deaf may call (512) 272-9116 or may utilize the stateside Relay Texas Program at 1-800-735-2988.



# City of Wimberley

221 Stillwater, P.O. Box 2027, Wimberley, Texas 78676

**REGULAR CITY COUNCIL MEETING**  
**WIMBERLEY CITY HALL – CITY COUNCIL CHAMBERS**  
**221 STILLWATER, WIMBERLEY, TEXAS**  
**OCTOBER 6, 2016 – 6:00 P.M.**

**ADDENDUM TO AGENDA**

**4. DISCUSSION AND POSSIBLE ACTION**

- (L) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING A PROPOSED \$750 SETTLEMENT FEE FOR THE EARLY CANCELLATION OF THE LEASE FOR THE OAK DRIVE RESTROOM TRAILER. (CITY ADMINISTRATOR)
  
- (M) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING A PROPOSED PROFESSIONAL SERVICES AGREEMENT FOR FINANCIAL SERVICES WITH LORI I. GRAHAM, CPA, P.C. (CITY ADMINISTRATOR)

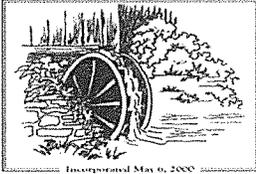
**CERTIFICATION**

I hereby certify the above Addendum to Agenda was posted on the Bulletin Board at the City of Wimberley City Hall on October 3, 2016 at 5:45 p.m.

  
\_\_\_\_\_  
Cara McPartland, Assistant City Administrator/City Secretary

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# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

Project/Proposal Title: REMARKS BY MAYOR MAC MCCULLOUGH

Commission Action Requested:

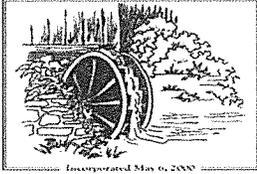
- Ordinance
- Resolution
- Motion
- Discussion

**Project/Proposal Summary:**

This item was placed on the agenda by Mayor Mac McCullough to allow him to make remarks to the public.

No background information was provided on this agenda item.

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

**Project/Proposal Title:** APPROVAL OF  
SEPTEMBER 15, 2016 MINUTES OF REGULAR  
CITY COUNCIL MEETING

**Funds Required:**  
**Funds Available:**

**Council Action Requested:**

- Ordinance
- Resolution
- Motion
- Discussion

**Project/Proposal Summary:**

This item was placed on the agenda to allow City Council to consider approving the minutes for the September 15, 2016 Regular City Council Meeting.

**City of Wimberley**  
City Hall, 221 Stillwater  
Wimberley, Texas 78676  
**Minutes of Regular Meeting of City Council**  
September 15, 2016 at 6:00 p.m.

City Council meeting called to order at 6:00 p.m. by Mayor Pro Tempore John D. White.

Mayor Pro Tempore White gave the Invocation and Mayor Pro Tempore White and Councilmembers led the Pledge of Allegiance to the United States and Texas flags.

Councilmembers Present: Mayor Pro Tempore John D. White, Councilmembers Bob Dussler, Craig Fore, and Gary Barchfeld. Mayor Mac McCullough and Councilmember Sally Trapp were absent.

Staff Present: City Administrator Don Ferguson & City Secretary Cara McPartland

**Proclamations**

- A. Proclamation of the City Council of the City of Wimberley, Texas, proclaiming Tuesday, October 4, 2016 as National Night Out. *(Hays County Sheriff's Department)*

Mayor Pro Tempore White presented the proclamation to Hays County Sheriff's Department Deputy Mark Andrews. Deputy Andrews thanked Council, provided information on planned event activities, and encouraged neighborhood participation. City Administrator Ferguson thanked Deputy Andrews for his service to Wimberley.

- B. Proclamation of the City Council of the City of Wimberley, Texas, proclaiming the month of October 2016 as National Domestic Violence Awareness Month. *(Hays-Caldwell Women's Center)*

Mayor Pro Tempore White presented the proclamation to Hays-Caldwell Women's Center representative Jemm Corona-Morris who thanked Council.

- C. Proclamation of the City Council of the City of Wimberley, Texas, proclaiming the week of September 17-23, 2016, as Constitution Week. *(Jacob's Well Chapter of the National Society of Daughters of the American Revolution)*

Mayor Pro Tempore White presented the proclamation to representatives Cindy Dawson, Cherie Dawson, and Sandy Fortenberry who thanked Council and provided information on the history of Constitution Week.

**Citizens Communications**

Referencing Agenda Item 3, Robbie Walker of Hills of Texas Lodging encouraged Council to go farther than holding public meetings and asked that in-depth meetings be held with all those who

have a stake in tourism in order to look for common ground. He favored civil discussion of all sides and asked Council to take charge of finding a solution beneficial to all.

## 1. Consent Agenda

- A. Approval of minutes of the Regular City Council meeting of September 1, 2016
- B. Approval of the August 2016 Financial Statements for the City of Wimberley

Councilmember Barchfeld moved to approve all Consent Agenda items, as presented. Councilmember Fore seconded. Motion carried on a vote 4-0.

## 2. City Administrator Report

- Status report on the Central Wimberley Wastewater Project

City Administrator Ferguson anticipated delivery of project plans to the Texas Water Development Board (TWDB) no later than Monday, September 19, 2016, which will start the review process, which is expected to take 30-45 days. He reported that responses to the City's Request for Qualifications (RFQ) for project management are being evaluated and anticipated a recommendation to Council on October 6, 2016. He advised that Council will be asked to delay consideration of Agenda Item 4A until its meeting on October 6, 2016. He reported staff is reviewing the draft water budget received from consultants this week. He stated that the probable cost estimate for the effluent storage pond (as a possible alternative to the large storage tank in the current design) is approximately \$758,000. He reported that Aqua Texas representatives met with the City's project engineers to clarify some cost estimates on service alternatives and anticipated scheduling of another Aqua Texas meeting during the last week of September 2016. Discussion addressed features and types of materials for the aforementioned effluent storage pond.

- Status report on the proposed *Fiscal Year 2017 City of Wimberley Budget*

City Administrator Ferguson reported on the previously held Budget public hearing and direction to staff to trim \$100,000 from the Budget. He said Special Council meetings will be held next week to discuss and adopt the Budget.

- Status report on sales tax collections for the City of Wimberley

This report was heard after the status report on Blue Hole Regional Park operations.

City Administrator Ferguson reported that the City's September sales tax collections check totaled \$68,200, up seven percent from the same period last year. He reported fiscal year-to-date collections totaling just over \$882,000, up about twelve percent from the same period last year, and running well ahead of budget.

- Status report on hotel occupancy tax collections for the City of Wimberley

City Administrator Ferguson reported fiscal year-to-date collections totaling \$172,304.43. He stated the Hotel Occupancy Tax Advisory Committee reviewed responses to its call for funding proposals for October-December 2016 and anticipated a recommendation to Council at its October 6, 2016 meeting.

- Status report on operation of the Blue Hole Regional Park

City Administrator Ferguson reported the swimming area is closed for the 2016 season. He said new donor signs are being ordered for certain locations. He noted collection of 2016 season gate fees in the amount of \$268,000 and provided statistics on the very successful summer youth program, which generated approximately \$26,000 in revenue.

In addition, City Administrator Ferguson reported that a pre-construction meeting will be held tomorrow for the La Buena Vista Drive Improvement Project, with construction to possibly start next week.

- Status report on law enforcement interlocal agreements with the Hays County Sheriff's Department and Precinct Three Constable

City Administrator Ferguson reported on details of long-standing interlocal agreements, including scope of services provided under the existing agreements and possible future modification of the agreement with the Constable's office to include some limited City ordinance enforcement.

### **3. Public Hearing and Consider Action**

Hold a public hearing and consider approval of the first reading of an ordinance of the City of Wimberley, Texas, authorizing a moratorium on the issuance of building permits, business licenses, conditional use permits, and certificates of occupancy to be used for the construction or operation of bed and breakfast lodgings and vacation rentals within any residentially zoned area within the city limits of Wimberley; and providing for the following: findings of fact, savings, severability, repealer, effective date, and proper notice and meeting. *(City Administrator)*

City Administrator Ferguson reviewed required procedures to impose a moratorium and noted that the Planning and Zoning Commission held a public hearing on September 8, 2016 and afterwards voted unanimously to recommend approval of the ordinance. He reported that Council's second and final reading of this ordinance is scheduled for a Special Council meeting next week, and if approved, the moratorium would be in effect through December 7, 2016. He advised that Council and the Planning and Zoning Commission will work together in joint meetings in order to expedite the process of assessing public input and addressing concerns. He noted that Council has the option of ending the moratorium early if issues are resolved before December 7<sup>th</sup> or extending the moratorium, if necessary.

Mayor Pro Tempore White opened the public hearing.

Robbie Walker of Hills of Texas Lodging spoke in support of the moratorium and asked Council, the Planning and Zoning Commission, and City Administrator Ferguson to not rush the process and take the full 90 days in the interest of due diligence.

Hearing no further comments, Mayor Pro Tempore White closed the public hearing.

Discussion favored taking the time to hear all sides on this issue.

Councilmember Fore moved to approve the first reading of the ordinance, as presented. Councilmember Dussler seconded. Motion carried on a vote of 4-0.

#### **4. Discussion and Possible Action**

- A. Discuss and consider possible action awarding a contract for wastewater impact fee preparation services. *(City Administrator)*

City Administrator Ferguson requested that this item be continued until Council's meeting on October 6, 2016.

Councilmember Fore moved to approve continuance of this item until October 6, 2016, as requested. Councilmember Barchfeld seconded. Motion carried on a vote of 4-0.

- B. Discuss and consider possible action authorizing roadway repairs and drainage improvements on a portion of Deer Crossing Lane. *(City Administrator)*

City Administrator Ferguson reviewed the history of flood damage to Deer Crossing Lane and funding sources. He provided details on the scope of work, including base/asphalt repairs, and drainage improvements, which are estimated to cost approximately \$25,000.

Discussion addressed use of culverts, need for significant drainage work, regular culvert maintenance and possible future culvert upsizing.

Councilmember Barchfeld moved to approve authorizing roadway repairs and drainage improvements on a portion of Deer Crossing Lane, as presented. Councilmember Fore seconded. Motion carried on a vote of 4-0.

- C. Discuss and consider possible action regarding a proposed Code enforcement effort relating to certain structures damaged in the 2015 floods in Wimberley that have not been repaired. *(City Administrator)*

City Administrator Ferguson stated that it has been one and one-half years since the May 2015 flood and that some owners have not returned to their properties. He noted the importance of giving people the time to deal with trauma, but said there are some neighbors citing safety issues with some unrepaired properties. As a proactive approach, City Administrator Ferguson suggested sending a courtesy notice to reach out to identified property owners with a request to work out a correction plan. He said if such an effort proves unsuccessful, there is a process the

City can pursue to deal with health/safety hazards, which would be presented to Council for consideration and action.

Discussion addressed specific properties in need of clean-up along River Road, upcoming river debris clean-up, focus of the Code enforcement effort on substandard structures, volunteer assistance, and limited number of structures involved in the enforcement effort.

Councilmember Dussler moved to approve authorizing City Administrator Ferguson to move forward with the proposed Code enforcement effort, as presented. Councilmember Fore seconded. Motion carried on a vote of 4-0.

## 5. City Council Reports

- Announcements
- Future Agenda Items

City Administrator Ferguson reminded Council of Special meetings tentatively scheduled for September 20 and 21, 2016 and advised that Hays County Precinct Three Commissioner Will Conley will give a presentation at the September 21<sup>st</sup> meeting on upcoming Hays County bond propositions.

Mayor Pro Tempore White referenced a recent Texas appellate court ruling on TxDOT's ability to regulate certain highway signage and City Administrator Ferguson stated that the subject ruling does not affect any City of Wimberley or Hays County regulations.

City Administrator Ferguson reported that beginning on September 19, 2016, the State will start shoulder repairs along FM 3237, causing some lane closures, and will also be working along Ranch Road 12 near the Junction later in the week.

Hearing no further announcements or future agenda items, Mayor Pro Tempore White called the meeting adjourned.

**Adjournment:** Council meeting adjourned at 6:58 p.m.

Recorded by:

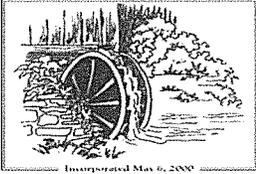
Cara McPartland

These minutes approved on the \_\_\_\_ of October, 2016.

**APPROVED:**

**Mac McCullough, Mayor**

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

**Project/Proposal Title:** APPROVAL OF  
SEPTEMBER 21, 2016 MINUTES OF SPECIAL  
CITY COUNCIL MEETING

**Funds Required:**  
**Funds Available:**

**Council Action Requested:**

- Ordinance
- Resolution
- Motion
- Discussion

**Project/Proposal Summary:**

This item was placed on the agenda to allow City Council to consider approving the minutes for the September 21, 2016 Special City Council Meeting.

**City of Wimberley**  
City Hall, 221 Stillwater  
Wimberley, Texas  
**Minutes of Special Meeting of City Council**  
September 21, 2016 at 6:00 p.m.

City Council meeting called to order at 6:00 p.m. by Mayor Mac McCullough

Councilmembers Present: Mayor Mac McCullough; Councilmembers Craig Fore, Sally Gibson Trapp, Gary Barchfeld, and John White. Councilmember Bob Dussler was absent.

Staff Present: City Administrator Don Ferguson

**1. Resolution**

Consider approval of a resolution of the City Council of the City of Wimberley, Texas, adopting the City of Wimberley Budget for the Fiscal Year beginning October 1, 2016 and ending September 30, 2017. *(City Administrator)*

This item was heard after Agenda Item 2.

Mayor McCullough called on former Mayor Steve Thurber, who signed up to speak on this item. Former Mayor Thurber applauded Council for its previous discussions in favor of keeping the Budget conservative and balanced. He asked that Council reconsider its reduction in the amount funds allocated for capital improvements related to roads and drainage. He provided history on the City's reserve fund, which has grown since incorporation to more than \$1,000,000. He noted past Council action allocating excess funds from the City's reserves, when those reserves exceeded \$1,000,000, for the purpose of capital improvements. Former Mayor Thurber stated that Council is not spending more than it is taking in, but it is spending what has been saved (an overage) from the previous year. He also noted that the aforementioned overage comes from greater than anticipated revenues, spending under amounts budgeted for, or a combination thereof. He asked that Council reconsider its decision and felt using excess reserves for capital road improvements is money well-spent. In addition, former Mayor Thurber asked Council to consider the people who work hard for the City and said it has been a long time since they have received a meaningful increase in pay.

Mayor McCullough spoke on how the Budget has survived despite setbacks over the years and concurred with former Mayor Thurber that the \$1,000,000 reserve amount is comfortable. He advocated re-addressing the \$100,000 trimmed from the Budget and cited the need for improved roads.

Barbara Hopson said she hoped to speak on the Hays County bond issue before Council took action in support of the proposed bonds. She felt that tonight's meeting contained a bit of "sleight of hand" and lacked transparency, as this is a special meeting not held on a regular meeting night. Ms. Hopson said her main concern is the road bond proposition and specifically what will happen to FM 150. She stated the people who live along FM 150 do not want it

changed and cited Hays County's Transportation Plan map showing FM 150 as a divided, four-lane road, with 150-foot wide right of way all the way from I-35 to up above Dripping Springs on the west side of Highway 290. She spoke of a planned Driftwood subdivision and the impact of changes to FM 150 on promotion of the subdivision as a rural retreat. Ms. Hopson spoke of her conversations with Hays County Precinct Three Commissioner Conley and her request to remove FM 150 from any planned expansion, which she said statistics show is not needed. Ms. Hopson expressed concerns regarding the amount of debt incurred by Hays County and the raising of that debt should the proposed bonds be approved. She said even though the tax rate has slightly decreased, appraisals have gone up mightily, which will raise taxes for everyone whose properties have appreciated. Ms. Hopson was concerned that use of terms such as "safety and mobility" as criteria for use of bond money are too general and does not specify how it would be spent. She felt that ballot language for the proposed bonds allows Hays County commissioners to do anything they wish with roads, which many people feel gives them too much power with less-than-stellar transparency.

Mayor McCullough said he thought the handwritten sign-in sheet for speakers listed Ms. Hopson's item as the "budget" resolution agenda item, rather than "bond," apologized to Ms. Hopson, and noted that his misreading was not intentional.

City Administrator Ferguson detailed \$100,000 in specific budget cuts in accordance with Council's direction. He presented information on payment of the remaining \$54,000 associated with the TWDB loan for planning and design of the Central Wimberley Wastewater Project.

Mayor McCullough opened discussion and clarification was provided by City Administrator Ferguson to Councilmember Trapp on Council's ability to spend excess fund balance on road project(s) later in the year by way of a budget amendment. Councilmember Fore favored balancing the budget and allocating any expenditure of excess funds at a later date, if needed. Councilmember Barchfeld felt Mayor McCullough and City Administrator Ferguson did a good job on the Budget and were conservative on revenue estimates. He said Council could come back later and make adjustments for items such as roads. He favored continuation of Council's policy to build "a nice nest egg for the City" and preserve the City's reserves.

Mayor McCullough approved of revisiting allocating funds for road improvements following the completion of the City's annual audit. He expressed concerns regarding reports of slow sales activity from local businesses and remained cautious about revenues. Councilmember Barchfeld asked about the subject of employee salaries brought up by former Mayor Thurber and Mayor McCullough said he had a brief discussion with City Administrator Ferguson on this issue. City Administrator Ferguson noted his decline of any pay increase and advised recent employee salary adjustments were made due to realignment of staff. He stated this is an issue for Council to decide and said Council can revisit possible mid-year adjustments for cost of living, if desired. Councilmember White said that health insurance is a non-taxable "hidden salary" to employees and City Administrator Ferguson stated that staff has worked hard to find a benefit package that works and helps attract and retain employees. City Administrator Ferguson said staff is respectful of the City's limited revenue sources and is appreciative of benefits provided. Mayor McCullough recognized the amount paid for employee benefits and was comfortable with it at this time.

Councilmember Fore moved to adopt the resolution to approve the Budget, as presented, including the following (as read by City Administrator Ferguson): “On August 19, 2013, the Wimberley City Council approved an Ordinance authorizing the issuance and sale of \$650,000 in Combination Tax and Surplus Revenue Anticipation Notes (Series 2013) to fund the planning and design of a central Wimberley wastewater system. The referenced Ordinance established an ad valorem tax to fund the debt service requirements on the Notes. At this time, rather than utilize the authorized ad valorem tax to fund the required debt service, the City Council approved the use of existing City revenues to meet the City’s debt obligation. Prior to the City Council’s August 19, 2013 action, the City of Wimberley did not have an established ad valorem tax. That said, the FY 2017 Annual Budget raises no ad valorem tax revenues.” Councilmember White seconded.

Mayor McCullough called for a vote as follows: Councilmember Fore, aye; Councilmember Trapp, aye; Councilmember Barchfeld, aye; Councilmember White, aye. Motion carried on a vote of 4-0.

## **2. Presentation**

Presentation by Hays County Precinct Three Commissioner Will Conley regarding the Hays County Road Bond Propositions relating to transportation and public safety improvements that will go before Hays County voters on November 8, 2016. (*Hays County Precinct Three Commissioner Will Conley*)

This item was heard before Agenda Item 1.

Commissioner Conley presented information on Proposition No. 1 to help fund needed improvements to update and expand Hays County jail facilities and communications/operations centers in order to provide a more efficient environment and a higher level of public safety for law enforcement, first responders, and citizens.

Hays County Sheriff Gary Cutler spoke on specific public safety needs and measures implemented to extend the life of existing overcrowded jail/staff facilities and avoid outsourcing for as long as possible.

Speaking on Proposition No. 2, Commissioner Conley provided examples of transportation safety improvements, including maintenance, expansion, or upgrades to specific roadways, right-of-way acquisition for anticipated future roadways, pedestrian/bicycle mobility, environmental mitigation/conservation, and leverage for possible allocation of state/federal funds. He reviewed past transportation projects resulting from bonds passed in 2008 and the successful partnership of Hays County and the State of Texas. He cited specific roadways/improvements that would not be included in any projects to be paid for with Proposition No. 2 funding. He believed that these two bond proposals would not require any changes to Hays County’s tax rate, if passed, and spoke of the financial health of Hays County and its AA bond rating.

Discussion addressed possible future development/funding of sidewalks within Wimberley, and explanation of collaborative inter-jurisdictional funding strategies.

### 3. Discussion and Possible Action

- A. Discuss and consider possible action regarding the Hays County Bond Propositions relating to transportation and public safety improvements that will go before Hays County voters on November 8, 2016. *(Mayor Mac McCullough)*

Councilmember Fore moved to support the Hays County Bond Propositions. Councilmember White seconded. Mayor McCullough answered affirmatively to an audience member who questioned whether discussion would take place.

Mayor McCullough opened discussion and Councilmember Barchfeld felt it appropriate to take action indicating support for the proposed bonds. Motion carried on a vote of 4-0.

Commissioner Conley thanked Council and stated more information on the proposed bonds is available on the Hays County website or by contacting his office.

- B. Discuss and consider possible action amending the Fiscal Year 2016 City of Wimberley General Fund, Wastewater, Municipal Court and Blue Hole Budgets for the purpose of accounting for actual and anticipated expenditures and revenues, and declaring adjustments as a necessity. *(City Administrator)*

No discussion or action was taken on this item, which will be continued until Council's Special meeting to be held next week.

#### Adjourn

Mayor McCullough called the meeting adjourned at 7:17 p.m.

Recorded by

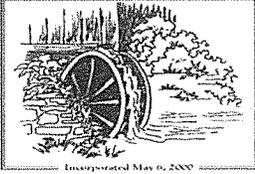
Cara McPartland

These minutes approved on the \_\_\_\_\_ of October, 2016.

**APPROVED:**

**Mac McCullough, Mayor**

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

**Project/Proposal Title:** APPROVAL OF  
SEPTEMBER 26, 2016 MINUTES OF SPECIAL  
CITY COUNCIL MEETING

**Funds Required:**  
**Funds Available:**

**Council Action Requested:**

- Ordinance
- Resolution
- Motion
- Discussion

**Project/Proposal Summary:**

This item was placed on the agenda to allow City Council to consider approving the minutes for the September 26, 2016 Special City Council Meeting.

**City of Wimberley**  
 City Hall, 221 Stillwater  
 Wimberley, Texas  
**Minutes of Special Meeting of City Council**  
 September 26, 2016 at 6:00 p.m.

City Council meeting called to order at 6:00 p.m. by Mayor Mac McCullough.

Councilmembers Present: Mayor Mac McCullough; Councilmembers Bob Dussler, Sally Gibson Trapp, Gary Barchfeld, and John White. Councilmember Craig Fore was absent.

Staff Present: City Administrator Don Ferguson

**1. Ordinance**

Consider approval of the second and final reading of an ordinance of the City of Wimberley, Texas, authorizing a moratorium on the issuance of building permits, business licenses, conditional use permits, and certificates of occupancy to be used for the construction or operation of bed and breakfast lodgings and vacation rentals within any residentially zoned area within the city limits of Wimberley; and providing for the following: findings of fact, savings, severability, repealer, effective date, and proper notice and meeting. *(City Administrator)*

City Administrator Ferguson advised that this is the final reading and provided information on the following planned public meeting schedule, should Council approve the moratorium:

- Initial meeting on Tuesday, October 4, 2016 at 5 p.m.
- First public forum to receive general public comments on Tuesday, October 11, 2016 at 6 p.m.
- Second public forum to receive comments from short-term rental owners on Tuesday, October 18, 2016 at 6 p.m.
- Third public forum to receive comments from reservation agents on Tuesday, October 25, 2016 at 6 p.m.
- Joint City Council/Planning and Zoning Commission workshop meeting on Tuesday, November 1, 2016 at 6 p.m.
- Joint City Council/Planning and Zoning Commission workshop meeting on Tuesday, November 8, 2016 at 6 p.m.
- Planning and Zoning Commission meeting on Monday, November 28, 2016 at 6 p.m.
- First reading of proposed ordinance amendments at City Council meeting on Thursday, December 1, 2016
- Second reading of proposed ordinance amendments at City Council meeting on Tuesday, December 6, 2016

City Administrator Ferguson said information on the meetings would be published in the local newspaper, and distributed via city-wide notification calls and letter mailings. Mayor McCullough asked Council for input on meeting procedures and timeframe. Discussion favored

the procedures, meeting formats, and schedule, as presented, in the interest of efficiency and established that comments may also be received in writing, for those who cannot attend meetings in person.

Councilmember White moved to approve the second and final reading of the ordinance, as presented. Councilmember Dussler seconded. Motion carried on a vote of 4-0.

## 2. Discussion and Possible Action

Discuss and consider possible action amending the Fiscal Year 2016 City of Wimberley General Fund, Wastewater, Municipal Court and Blue Hole Budgets for the purpose of accounting for actual and anticipated expenditures and revenues, and declaring adjustments as a necessity. *(City Administrator)*

City Administrator Ferguson explained specific adjustments to the subject budgets, including reasons for each adjustment, and anticipated insurance proceeds to offset expenditures for repairs to flood-damaged roads. He advised that Hotel Occupancy Tax collections are shown in the Budget as a separate revenue line, but in anticipation of disbursement of funds, he said HOT collections will be moved into a separate special fund and budget, with the budget to be developed by the Hotel Occupancy Tax Advisory Committee. Mayor McCullough spoke favorably of Council's action on the Fiscal Year 2017 Budget relating to expenditure of excess funds and approved revisiting allocation of road improvement funding following the completion of the City's annual audit.

Councilmember Trapp moved to approve amending the subject Fiscal Year 2016 City of Wimberley Budgets, as presented, including the adjustments as discussed tonight. Councilmember White seconded. Motion carried on a vote of 4-0.

## Adjourn

Mayor McCullough called the meeting adjourned at 6:29 p.m.

Recorded by:

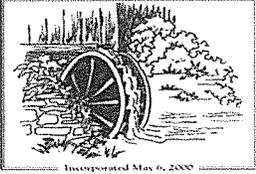
Cara McPartland

These minutes approved on the \_\_\_\_ of October, 2016.

**APPROVED:**

**Mac McCullough, Mayor**

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

**Project/Proposal Title:** APPROVAL OF THE REAPPOINTMENT OF NEEL MORTON TO THE CITY OF WIMBERLEY BUILDING CODE BOARD OF REVIEW

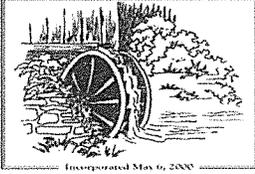
**Council Action Requested:**

- Ordinance
- Resolution
- Motion
- Discussion

**Project/Proposal Summary:**

This item was placed on the agenda by Place Three Council Member Sally Trapp to allow City Council to discuss and consider approval of the reappointment of Neel Morton to the City of Wimberley Building Code Board of Review.

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

**Project/Proposal Title:** APPROVAL OF THE APPOINTMENT OF LINDA WEBB TO THE HOTEL OCCUPANCY TAX ADVISORY COMMITTEE

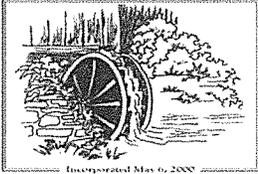
**Council Action Requested:**

- Ordinance
- Resolution
- Motion
- Discussion

**Project/Proposal Summary:**

This item was placed on the agenda to allow City Council to discuss and consider the appointment of Linda Webb to serve as the Wimberley Chamber of Commerce representative on the City of Wimberley Hotel Occupancy Tax Advisory Committee. Ms. Webb will fill the seat previously held by Dan Moore who recently resigned from the Committee.

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

Project/Proposal Title: APPROVAL OF FY 2017  
HOLIDAY SCHEDULE FOR THE CITY OF WIMBERLEY

Funds Required:  
Funds Available:

Council Action Requested:

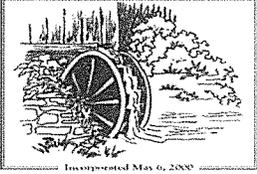
- Ordinance
- Resolution
- Motion
- Discussion

## Project/Proposal Summary:

This item was placed on the agenda to allow City Council to discuss and consider approval of the employee holiday schedule below for the coming fiscal year.

- Columbus Day – Monday, October 10, 2016
- Veterans Day – Friday, November 11, 2016
- Thanksgiving – Thursday & Friday, November 24 & 25, 2016
- Christmas – Monday, December 26, 2016
- New Years – Monday, January 2, 2017
- Martin Luther King Day – Monday, January 16, 2017
- President's Day – Monday, February 20, 2017
- Good Friday – Friday, April 14, 2017
- Memorial Day – Monday, May 29, 2017
- Independence Day – Tuesday, July 4, 2017
- Labor Day – Monday, September 4, 2017

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

Project/Proposal Title: CITY ADMINISTRATOR'S REPORT

Funds Required:  
Funds Available:

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

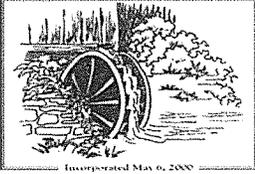
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## Project/Proposal Summary:

The City Administrator will present a report on the following items:

- Status report on the Central Wimberley Wastewater Project
- Status report on the La Buena Vista Roadway Improvement Project
- Status report on the Deer Crossing Drainage and Road Improvement Project
- Status report on Scudder Elementary School Traffic Improvement Project
- Status on River Road Riverbank Restoration Project

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

**Project/Proposal Title:** PRESENTATION  
REGARDING VARIOUS EMERGENCY  
NOTIFICATION SYSTEMS AVAILABLE TO HAYS  
COUNTY RESIDENTS

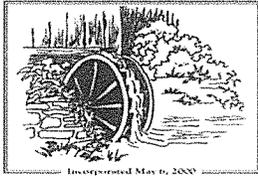
**Council Action Requested:**

- Ordinance
- Resolution
- Motion
- Discussion

**Project/Proposal Summary:**

This item was placed on the agenda to allow Hays County Emergency Management Coordinator Kharley Smith to make a presentation regarding the various emergency notification systems available to residents of Hays County.

# City Council Agenda Form



Date Submitted: September 29, 2016

Agenda Date Requested: October 6, 2016

**Project/Proposal Title:** PRESENTATION OF  
HOTEL OCCUPANCY TAX FUNDING  
RECOMMENDATIONS FOR THE PERIOD FROM  
OCTOBER 2016 TO DECEMBER 2016

**Council Action Requested:**

- Ordinance
- Resolution
- Motion
- Discussion

**Project/Proposal Summary:**

This item was placed on the agenda to allow the City of Wimberley Hot Occupancy Tax (the "HOT") Advisory Committee to present HOT funding recommendations for the period from October 2016 to December 2016. Committee Chairman Tomas Palm will brief Council on the recommendations.

## HOT COMMITTEE RECOMMENDATION

Proposal Name: Wimberley Valley Tourism & Lodging Association

Date Evaluated: Sept 7, 2016

HOT COMMITTEE RECOMMENDS: FUNDING

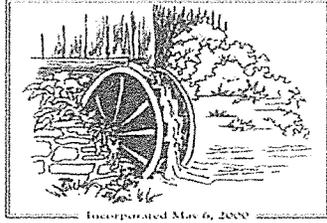
### Proposal Summary:

a) Total Project Proposal Cost	\$205,000.00 (1st yr)
b) HOT funds requested	\$80,000.00 (1st yr)
c) Equity Required (30%) verifiable	Not at this time
d) Anticipated Overnight Lodging - (x\$130)	See Appendix 8
e) Anticipated Community Impact	See Appendix 8
f) Primary ROI (f/b)	2:1
g) Secondary ROI (g/b)	3:1

Committee Votes: Fund: 7 Don't Fund: 0

Committee Notes: The committee recommended funding the full three year request for this proposal. This is a well thought out and researched plan to incrementally increase tourism to the City of Wimberley and its ETJ.. The plan is extensive and the council is encouraged to study the entire plan. The \$80,000 first year request is in the form of a line of credit rather than actual cash and decreases incrementally over years 2 and 3 to become a self sustaining entity.

Recommendation to Proposal Submitter: The committee feels that WVTLA has presented a well thought out proposal and encourages the organization to work with existing organizations within the city to bring this vision to light. The business plan shows a path to the DMO becoming a self sustaining entity over the course of its first 3 years in operation, and incrementally increasing overnight lodging to Wimberley and its ETJ.



## Application for City of Wimberley HOT Funds

*Instructions: Type or print clearly. If not enough space is provided please attach additional pages.*

### Organization/Group/Facility Information

Organization/Group/Facility Name: Wimberley Valley Tourism & Lodging Association (WVTLA)

Address: PO Box 1571

City: Wimberley State: TX Zip: 78676

Contact Name: Albert Valera Contact Phone: 512-699-7594

Contact Email: albert.valera@wvtla.com

Website Address for Event or Organization: http://www.wvtla.com

Non-Profit or For-Profit Status: C-corp

Federal Employer Identification Number (FEIN) (If available) 47-4617830

Purpose/Mission of Organization: Create economic prosperity through responsible tourism

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Rec'd.  
7/29/16

General Event/Program Information

Name of event/program to be funded: Destination Marketing Organization (DMO)

Primary location of event/program: Site to be Determined (see proposal)

Date of event/program: Ongoing Initiative Expected attendance: 10,000 overnight guests in year 1. See proposal for ramp schedule and ongoing overnight visitor numbers

How many times have you held this event/program? None

If the funding requested is for a permanent facility rather than a specific event (e.g. museum, visitor center, convention facility), please complete this section:

Anticipated number of visitors/attendance monthly/annually: 10,000 overnight travelers during Sunday – Thursday in the first and fourth quarters of the calendar year. See proposal for ramp schedule and ongoing overnight visitor numbers.

Number of those visitors/attendance who are staying in Wimberley lodging: All 10,000. See proposal for ramp schedule and ongoing overnight visitor numbers.

For each of the last three times the event/program has been held, list the year held, the number of attendees and the method of determining attendance (crowd estimates, ticket sales, sign-in sheet, etc.)

Year Held	Number of Attendees	Methodology
<u>Year 1</u>	<u>10,000</u>	<u>DMO &amp; Lodging Facility Tracking</u>
_____	_____	_____
_____	_____	_____

Identify the HOT category for which the event/program will benefit (refer to Page 1): Convention Centers and Visitor Centers, Advertising, Solicitation, and Promotions, and Promotion of the Arts all designed to generate an additional 33,000 tourists Sunday – Thursday in the first and fourth quarters of the calendar year when business is slowest.

What is the primary purpose of the event/program for which this application applies? The Funds will be used as a line of credit for working capital and cash-flow shortfalls of the DMO. See proposal for complete details.

**Funding Request**

Total Event/Program Budget: \$205,000 of seed capital plus reinvested first year revenue of \$47,919 for a total investment of \$252,919. Total Amount Requested: \$80,000 for the first year. See DMO proposal and pro-forma financials for complete details.

Percentage of total event or program cost to be covered by the requested HOT funds: 31%. We are investing 125,000 of private equity to secure the \$80,000 in HOT Funds. The 30% equity requirement would be \$24,000 to secure the \$80,000 of HOT funds. Our seed equity investment is 5.21 times the requirement.

How will the funds be used? See proposal and pro forma statements. The funds would be used as a credit line.

**Advertising and Promotional Activities**

Please indicate all the promotional efforts your organization is coordinating:

- Newspaper       Radio       TV
- Internet       Social Media       Email
- Other

---

Will you submit press releases about the event/program?  Yes     No

If so, list the number of releases plus targeted media outlets. Minimum of 12 press releases per year.  
Several other campaigns tied to specific tourism segments – i.e. leisure, business, events. All promotions and press releases are a function of the Tourism Plan created by the DMO. Outlets include: surrounding city newspapers, bloggers, and travel websites. Targeted media campaigns and direct mail will be used extensively.

What geographic area does your advertising and promotion reach? Cities and travelers within 250-mile radius of Wimberley.

**Projected Promotions and Tourism Benefits**

Over the last three times your event/program was held, how much HOT fund assistance did your organization receive and how many hotel rooms were occupied as a result?

Month/Year	Assistance Amount	Number of Occupied Rooms
_____	_____ NONE _____	_____
_____	_____	_____
_____	_____	_____

How many people attending this event/program are expected to stay in Wimberley hotels? \_\_All 10,000 of them. See proposal for details.

How many nights will they stay? 30% will stay 1 night, 60% 2 nights, and 10% 3 nights. See proposal and projections for details. What is the estimated Primary ROI for this event/program? \$29.25 for every dollar of HOT funds in year one. See proposal for details, ROI, and impacts.

What is the estimated Secondary ROI for this event/program? \$17.81 for every dollar of HOT funds in year one. See proposal for details, ROI, and impacts.

How will you measure the impact of this event on Wimberley hotel activity? Multiple metrics: 1) lodging revenue increase during Sunday – Thursday in first and fourth quarter of the year; DMO bookings of groups and business meetings, lodging tracking of guests, campaign level ROI.

Please list other organizations, government entities and grants that have offered financial support to your event/program. See proposal for details.

**REQUIRED Supplemental Information and Documentation**

Please attach the following to the application prior to submission:

- Proposed marketing plan for the event/program for which funds are being requested.
- Schedule of activities relating to the event/program.
- Current budget for the event/program.
- Documentation demonstrating the potential to generate overnight guests such as historical information or surveys on the number of hotel rooms resulted from previous years of the same event/program.
- Source and verification of the 30 percent of funding you are contributing toward the event/program.

Please sign and initial where indicated below acknowledging that the information provided in this application is true and correct. By signing below, you also agree that you and your organization will be held responsible for compliance with all HOT funding guidelines, requirements and remedies.

I fully understand the HOT funding application process, rules governing the application and the process established by the city council. I intend to use this grant for the aforementioned event to forward the efforts of the City of Wimberley in directly enhancing and promoting tourism and the hotel industry by attracting visitors from outside Wimberley into the city.

WVTLA Initial

I have read the HOT Funding Application process including the rules governing the application and the reimbursement process.

WVTLA Initial

I understand that if I am awarded HOT funding by the city, any deviation from the approved project or from the rules governing the application may result in the partial or total withdrawal of HOT grant funds.

WVTLA Initial

I understand that all the records that relate to the use of HOT funds shall be kept by DMO (Organization), subject to Chapter 351 of the Texas Tax Code as amended and Chapter 552 of the Texas Government Code as amended. Records of DMO (Organization) concerning HOT funds are public and the city shall, upon written request, have the right to inspect and or obtain all books and records pertaining to the fulfillment of this Agreement.

WVTLA Initial

I understand that the city may terminate this Agreement by giving the other party notice in writing of such termination sixty days in advance. Any municipal hotel occupancy tax proceeds, not used, shall revert to the city upon the termination of this Agreement.

WVTLA Initial



Authorized Signature

7-29-2016

Date

Albert Valera  
Print Name

WVTLA Chairperson  
Title and Organization

Applications may be submitted by mail, email or in person to:

City of Wimberley  
P.O. Box 2027  
Wimberley, Texas 78676

Email: [dferguson@cityofwimberley.com](mailto:dferguson@cityofwimberley.com)

# Hotel Occupancy Tax Funding Proposal for Systematically Addressing Wimberley's Tourism Opportunity

Prepared by:  
Wimberley Valley Tourism & Lodging Association  
(WVTLA)



Prepared for the consideration of the HOT Committee on:  
July 21, 2016

Wimberley Valley Tourism & Lodging Association  
PO BOX 1571  
Wimberley, TX 78676

July 21, 2016

Dear HOT Committee Members, Mayor, and City Council Members:

Wimberley is at a cross-road with its sole industry: Tourism. 2015 was undeniably a challenging and difficult year for our community and our tourism dependent businesses.

Now half way through 2016 and with the natural disasters behind us, it is clear Wimberley's tourism challenge lingers on and cannot be ignored. Doing so will drain our community's lifeblood and threaten our city's economic viability. Meeting the tourism challenge we face necessitates new and innovative approaches. No longer are individual efforts of dedicated business owners, associations, and the city sufficient to nurture and sustain our tourism needs. Instead, as a community, we need to put behind our differences, leverage our common interests, and work together to approach tourism in a much more responsible, coordinated, and systematic way. Only then will our collective strengths allow us to rise to the occasion, meet our tourism challenges, and triumph.

The Wimberley Valley Tourism and Lodging Association (WVTLA) working in conjunction with the Wimberley Merchants Association and concerned business owners, is pleased to submit a *HOT funding proposal for Systematically Addressing Wimberley's Tourism Opportunity*. Some of our city's best and brightest have worked closely with those who are most challenged to characterize the problem, consider alternatives, select a financially sound solution, and develop a comprehensive blue print for timely implementation.

Now is the time to rise to the occasion and meet our tourism challenge head on. We are confident that our proposal makes economic sense and will serve to transform the way we think, act, and prosper from tourism.



Albert Valera  
Chairman  
WVTLA

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# HOTEL OCCUPANCY TAX FUNDING PROPOSAL FOR SYSTEMATICALLY ADDRESSING WIMBERLEY'S TOURISM OPPORTUNITY

## 1. PURPOSE

- A. In this document we examine Wimberley's tourism opportunity and challenges, explore alternative solutions, and propose a Destination Marketing Organization (DMO) as the best solution to systematically and responsibly manage the city's tourism growth opportunity while sustaining existing and incremental tourism growth for the foreseeable future.
  
- B. The information, data, analysis, and conclusions presented in this document are considered the "intellectual property" and "work product" of the Wimberley Valley Tourism & Lodging Association (WVTLA). The document is made public in hopes the larger Wimberley community will embrace the concepts and work with the WVTLA to further refine and expand the information, data, analysis, and conclusions. Our vision is to further Wimberley's economic prosperity through responsible tourism.
  
- C. Definitions
  - i. Hotel Occupancy Tax (HOT) - A tax enacted by the city and collected by hotel owners. The tax is levied on a building or buildings in which the public may obtain sleeping accommodations for a cost of 2 dollars or more each day for a consecutive duration of 30 days or less. This includes, without limitation, hotels, motels, tourist homes, vacation rentals by owner, houses or courts, lodging houses, inns, hostels, rooming houses, bed and breakfasts, short-term vacation rentals or other buildings where rooms are furnished for consideration. It does not include hospitals, sanitariums or nursing homes.
  - ii. Visitor Center – A welcome center for tourists traveling to and through a city. A visitor center's primary purpose is to greet travelers upon arrival to the city and offer information on the area and/or surrounding areas.
  - iii. Destination Marketing Organization (DMO) – A specialized organization that promotes a city in accordance with a well thought out strategy and plan to increase and sustain the number of overnight visitors. DMOs

envision tourism as a system for leveraging and packaging a city's assets to attract tourists based on their interests, move them around, get them back home, and remarket to them to start the process over while building a long term relationship. DMOs promote the development and marketing of a city as a "destination", focusing on acquiring leisure, business, and activity/event tourism through direct marketing, solution selling, and custom services that are highly targeted. DMOs may or may not include a welcome center and/or a retail shop for unique gifts and memorabilia.

- iv. Off-Peak Tourism – Overnight tourism on Sunday through Thursday during the first and fourth quarter of the calendar year.
- v. Responsible Tourism – Balancing of tourists with the existing city and businesses infrastructure to deliver a positive experience for both travelers and citizens.

## 2. BACKGROUND

### A. Tourism is the lifeblood of our economy

- i. Economic development for many Texas cities is a matter of tourism. Texas consistently ranks as one of the top three destinations for U.S. travelers.
- ii. Tourism across Texas is broadly stratified into three segments: (1) Leisure travelers, (2) business travelers, and (3) arts/events travelers.
- iii. Wimberley's sole industry is tourism.
- iv. Wimberley's tourism industry has grown organically over the years relying mostly on "word of mouth" advertising and the direct marketing efforts of lodging providers, merchants, and other tourism oriented businesses.
- v. The majority of overnight visitors to Wimberley can be narrowly classified as leisure travelers. Destination weddings, venue operators, and a limited number of annual events and activities also help contribute to overnight travelers.

### B. Wimberley's tourism ecosystem

- i. Tourists and overnight travelers to the Wimberley area predominantly come from other Texas cities – i.e. "in-state" vacationers. Tourism to the area originates from cities within a 250-mile radius of Wimberley. Travelers from Houston, Dallas, Austin and San Antonio account for the majority of visitors to Wimberley.
- ii. Approximately 250 businesses make up a loosely coupled network of organizations that rely on and provide services to Wimberley tourists.
- iii. Collectively, these 250 businesses generate the majority of revenues and profits from tourism related activities. Tourism related businesses can be classified as: 1) restaurants, 2) retail shops, 3) wedding venues, 4) swimming venues, 5) art galleries, 6) hotels and B&Bs, and 7) other venue operators

- iv. City government funding is dependent on tourism as the primary source of revenue. Tourism related sales tax is the city's main source of revenues as the city has no property or ad valorem tax.
- v. Approximately 200 rooms are available for overnight occupancy in the city limits and another 200 rooms are available outside of the ETJ. Average room rates are \$130.00/night with weekend pricing being higher than weekdays.
- vi. 14 lodging operators - i.e. owners and reservation agents - are responsible for marketing the area, promoting their properties, delivering, and servicing the 200 rooms found within the city limits.
- vii. The lodging industry in Wimberley spends \$120,000 annually to acquire 150,000 overnight guests equating to a cost of \$0.80 per guest acquired.
- viii. The lodging operators act as "concierges" directing overnight tourists to the various venues, activities, and merchants of interest.
- ix. The local Chamber operates a Visitor Center with limited hours staffed by volunteers to assist tourists who are looking for information once they arrive in the area.
- x. Transportation in Wimberley consists of private companies. There are no ride-sharing services available like Uber or Lyft.

### 3. WIMBERLEY'S CURRENT TOURISM SITUATION IS DETERIORATING

#### A. A difficult period for overnight tourism

- i. Within the US and Texas, the economy is slowing as we end an 8-year boom cycle.
- ii. Global crude oil price declines have led to layoffs in Houston and surrounding oil industry dependent areas from which Wimberley draws its tourists.
- iii. The city experienced two epic floods in 2015 - one on Memorial Day, and another on Halloween.
- iv. The media was quick to report on the flood damages but did very little to inform the general public on post flood recovery efforts.
- v. The city enacted a 5% Hotel Occupancy Tax (HOT) without a plan based on the local chamber's push, and with limited input from the hotel and lodging operators. The consequence of which is a 5% increase in room prices at a time when demand is down.
- vi. The Wimberley lodging industry experienced a 2015 year-over-year decline of \$1.2m in sales.
- vii. The intensity of rivalry for tourism dollars is increasing as surrounding cities have stepped up their tourism focus and offering.

- B. Some tourism bright spots are emerging
- i. With the lodging industry's support, Wimberley Valley Arts and Cultural Alliance (WVACA) was able to secure a cultural district designation for Wimberley to help promote the arts (see Appendix 1 for more details). The designation also comes with a matching grant of up to \$50,000 yearly to help local artists fund and promote the arts. Limited use of these funds has been made by the local artists and WVACA has done little to promote the use of the funds.
  - ii. Response and recovery crews as well as rebuilding efforts have kept money flowing into the local economy and have helped sustain sales tax revenues.
  - iii. Flood recovery efforts are well underway with good progress – e.g. 7A being rebuilt, Pioneer Town revitalization, Creekhaven Inn back on line, smaller B&B's like Abundance Retreat have come back on line, Stores, Attractions, and Venues are back in business.
  - iv. Formation of a dedicated Tourism and Lodging association – i.e. WVTLA has driven efforts on a Wimberley-wide tourism plan, creation of a tourism facing website, as well as a focus on securing dedicated resources to align, synchronize, and promote the entirety of Wimberley's assets and tourism ecosystem.
  - v. The city has embraced a "Model City concept" for the allocation of Hotel Occupancy Tax funds. The HOT Committee and City Council work hand and glove as "bankers and investors" to seed activities and events to encourage overnight tourism to the city when it is most needed – i.e. off-peak season.
  - vi. Overnight tourism for 2016 is gradually improving compared to 2015; however, much work remains as overnight tourism still lags significantly behind 2014 levels.

#### 4. ADDRESSING WIMBERLEY'S TOURISM OPPORTUNITY REQUIRES FOCUSED PROBLEM SOLVING AND DEDICATED RESOURCES

- A. Sizing Wimberley's tourism opportunity
- i. Wimberley attracts 450,000 visitors yearly.
    1. *300,000 visitors are day trip travelers – i.e. "day trippers" coming to the city to enjoy its natural beauty, swim, shop, and eat. Day trippers do not spend as much money as overnight travelers.*
    2. *150,000 are overnight travelers staying one or more nights in local lodging establishments, visiting attractions, as well as shopping and eating at local stores and restaurants.*
    3. *90% of the overnight vacationers to the area are leisure travelers. 9% are event travelers, and less than 1% are business travelers.*
  - ii. Based on 14 years of state HOT data (i.e. 2001 – 2014), the distribution of overnight travelers to Wimberley is strongest in the second and third quarters of the calendar year with 62% of overnight travelers choosing to

visit Wimberley during this time. The first and fourth quarter are noticeably slower with only 38% of overnight travelers coming during this period.

Calendar Quarter	Overnight Travelers	% of Total Travelers
First	27,000	18%
Second	45,000	30%
Third	48,000	32%
Fourth	30,000	20%
<b>Total</b>	<b>150,000</b>	<b>100%</b>

- iii. An analysis of city sales tax receipts as a proxy measure for day trip travelers, confirms a similar visitor distribution pattern with the majority of day trip travel occurring in the second and third quarters of the calendar year.
  - iv. The majority of overnight travelers in the first and fourth quarter come to Wimberley on the weekend and on holidays – i.e. Friday and Saturday, Thanksgiving, Christmas, New Years, Valentine’s Day, Spring Break.
  - v. The city’s infrastructure – i.e. main streets, septic systems, bathrooms, parking, etc., are maxed out during the busy season in the second and third quarters of the calendar year.
  - vi. Any growth in overnight and day time tourism must take place on Sunday – Thursday during the first and fourth quarters of the year. Otherwise, the city’s infrastructure will not be able to accommodate the increased number of travelers and the traveler experience will be soured.
  - vii. Wimberley’s responsible tourism growth opportunity is constrained to an additional 33,000 more overnight tourists a year until such time as the city infrastructure is upgraded to accommodate more capacity. 18,000 of those tourists would need to come in the first quarter of the year, and 15,000 would come during the fourth quarter of the year. This would make the average tourism load 45,000 per quarter which is the maximum the city’s infrastructure can accommodate to deliver the required guest experience while balancing the needs of local residents.
  - viii. The additional 33,000 tourists are required during Sunday through Thursday in the first and fourth quarter of the calendar year since the weekends during those quarters are at capacity.
- B. Wimberley’s tourism opportunity is best stated as a problem statement in order to properly focus efforts and resources.
- i. Wimberley needs an additional 33,000 tourists during the off-peak season, defined as Sunday through Thursday in the first and fourth quarters of the calendar year.

- ii. 18,000 of those tourists would need to come in the first quarter of the year and 15,000 would come during the fourth quarter of the year.
- iii. The number of tourists should not exceed 45,000 – 46,000 in any quarter as the city infrastructure will not support the added load and the guest experience will be soured.

## 5. SEVERAL CHALLENGES NEED TO BE OVERCOME TO SOLVE FOR WIMBERLEY’S TOURISM PROBLEM AND ADDRESS THE OPPORTUNITY

### A. Direction, Focus, Supporting Systems, and Practices

- i. Wimberley needs to create a cohesive vision of responsible tourism that is brought to life through a comprehensive tourism plan, a fiscally responsible budget, and a competent organization and staff that has the knowledge, skills, and abilities to execute and deliver on a comprehensive tourism plan.
- ii. The tourism ecosystem of 250 businesses needs to look at itself as one entity capable of packaging and marketing the entirety of Wimberley to all travel segments.
- iii. Targeting business travelers during the off-peak season is essential to create demand during Sunday – Thursday. Leisure travelers are unlikely to fill this need especially during the first and fourth quarter.
- iv. Events and activities during the off-peak season should be a high priority to bring in tourism during Sunday – Thursday in the off-peak season.
- v. “Me too” marketing efforts like print advertising in AAA magazines, Texas Highways, Texas Monthly, rack cards distributed at visitor centers, etc., which target the leisure travel segment is not the best use of limited HOT money to stimulate demand during the off-peak season and will have the unintended consequence of bringing in marginally more tourists when the city infrastructure and tourism related businesses cannot accommodate them.
- vi. Wimberley’s tourism ecosystem needs to embrace a culture of tourism and deliver services accordingly. Stores and restaurants closing on certain days and/or early during weekdays is not conducive to tourism. Fixed hours of operations should be set much like a mall requires of its tenants.
- vii. Transportation services need to be better marketed and readily available to facilitate mobility of tourists to and from airports as well as to local venues, attractions, and events.
- viii. Wimberley needs a traveler facing website to help market the entirety of Wimberley. The website should act as a central point of aggregation to promote all of Wimberley’s assets and its tourism related businesses. The website should be designed from a prospective traveler’s viewpoint and consider his/her desired type of destination travel experience. The

website should not just be an aggregation or collage of tourism offers by Wimberley's tourism related businesses.

- ix. Ongoing reliance on volunteers, associations, and the local chamber for tourism demand generation is not likely to help Wimberley overcome its tourism challenges or achieve its goal of 33,000 more tourists during the off-peak season. Further, it may lead to increased deterioration in existing tourism levels as the economy slows and the rivalry for tourism dollars increases among surrounding Texas cities – e.g. Dripping Springs, Blanco, etc.

B. Infrastructure

- i. The city needs to address short term tourism related infrastructure needs within its fiscal budget. These needs include: 1) bathrooms in the town square, 2) traffic flow, and 3) parking.
- ii. Once a Wimberley Tourism plan and budget are completed, the city should use the tourism plan as input into a longer term city plan for responsible growth inclusive of funding needs and timing for infrastructure improvements.

6. ALTERNATIVES FOR SOLVING WIMBERLEY'S TOURISM PROBLEM, AND OVERCOMING CHALLENGES

A. Four alternatives have been considered as possible solutions:

- i. Alternative 1: Do nothing and continue as is
- ii. Alternative 2: Outsource to a 3<sup>rd</sup> party tourism and public relations marketing services provider
- iii. Alternative 3: Further fund the existing Visitor Center
- iv. Alternative 4: Establish a Direct Marketing Organization (DMO)

B. Advantages and Disadvantages of each alternative are as follows:

- i. Alternative 1: Do nothing and continue as is
  - 1. *Advantages: path of least resistance, no incremental cost*
  - 2. *Disadvantages: unlikely growth in tourism, potential further erosion of tourism, no ability to coordinate effort and treat tourism as a system*
- ii. Alternative 2: Outsource to a 3<sup>rd</sup> Party Tourism and PR/Marketing services
  - 1. *Advantages: Makes a subject matter expert responsible for creating a plan to solve for the tourism opportunity; leverages competencies of those who have done this before*
  - 2. *Disadvantages: expensive; results in a plan that has to be executed by someone else; the team assigned to work with Wimberley from the 3<sup>rd</sup> party will not know much about us; goals may not be*

*aligned; time to solution may be lengthy; recommendations may not be specific or actionable*

- iii. Alternative 3: Further fund the current Visitor Center
  - 1. *Advantages: solves for visitor center funding issues claimed by chamber and relieves local chamber's financial burden.*
  - 2. *Disadvantages: chamber does not have the business acumen or tourism competencies required and would need to hire another director; distraction for chamber which runs "business to business activities", WVACA, and visitor center out of the same building using chamber member funds; City of Woodcreek HOT money expenditures have never been disclosed and issues of funds comingling and use remain (see Appendix 2 for more details); 45 years of tradition is likely to stifle innovation; ongoing trust issues and working relationship with lodging community remain; when approached by the WVTLA to work together on supercharging the visitor center to create a destination marketing organization (DMO), the chamber board declined to participate (see Appendix 3 for more details).*
- iv. Alternative 4: Establish a Direct Marketing Organization (DMO)
  - 1. *Advantages: One stop shop for all things related to tourism; staffed with the necessary business and tourism competencies; brings together the tourism ecosystem; creates accountability for results; focuses efforts on solving for Wimberley's tourism opportunity; no prior history to stifle innovation; visible demonstration of business, association, citizen, and city commitment to responsible tourism; for profit organization able to become self-funding in 36 months or less, mimics emerging "best practice" in other Texas cities; brings to life the Model City concept for use of HOT funds; positions Wimberley for future growth.*
  - 2. *Disadvantages: Viewed as a political maneuver to displace the current visitor center, typical risks associated with the start-up of any business.*

C. Selection of the best alternative is objective and criteria driven

- i. Time to solution, likelihood of successfully addressing Wimberley's tourism opportunity, and anticipated return on investment are the three criteria used to evaluate and select from the four alternative solutions discussed.
- ii. A criteria selection matrix is used to evaluate each possible alternative. A rating of "5" means the criterion is mostly met, "3" means the criterion is moderately met, and "1" means the criterion is mostly not met. Total scores are calculated for each of the alternatives. The alternative with the highest total score is the "best" relative solution to address Wimberley's tourism opportunity.

Criteria	"Do Nothing"	"Outsource"	Fund Visitor Center	"DMO"
Time to Solution	5	4	2	3
Likelihood of Success	1	3	2	5
Return on Investment	1	2	2	5
Total Score	7	9	6	13

- iii. Based on the results of the criteria selection matrix, establishing a DMO is the best solution for systematically addressing Wimberley's tourism opportunity and solving the city's tourism problem.

## 7. BRINGING WIMBERLEY'S DMO TO LIFE: A BLUEPRINT FOR SUCCESS

- A. The vision for Wimberley's DMO is to create economic prosperity through responsible tourism approaches, methods, and practices.
- B. Achieving the DMO's vision requires a shift in mindsets, approaches, and practices as shown below:

From	To
Organic, ad hoc tourism	Responsible tourism
Shot gun marketing practices	Laser focused, segmentation based direct marketing and campaigns
Tourism products	Tourism experiences
No tourism plan	An authoritative strategic 5 year tourism plan targeting off-peak season
No official tourism website	An "Experience Wimberley" website that bundles and packages assets to meet travelers' needs and wants
No master calendar of events/activities	A master calendar of "Wimberley Happenings" to stimulate tourism demand and to inform tourism service providers of the needed supply and timing for their services
Low levels of coordination among tourism related business	Highly aligned and synchronized network of providers supplying experiences to tourists that meet or exceed expectations

Dependency on leisure traveler segment	A diversified mix of leisure, business, and event/activity segment travelers
Culture of what's good for my hobby/business/me	Culture of responsible tourism and profitable service first
"Do it yourself " by calling around tourism approach	One stop shop to assess needs, bundle, and customize experience solutions for travelers
Visitor / Welcome Center	End-to-end experience designed to create repeat business and deliver economic growth through responsible tourism.

- C. The mission or work performed by the DMO includes:
- i. Creating and maintaining the official Wimberley Tourism Plan. Outline and draft of a tourism plan have already been created by WVTLA and will be provided to the DMO as a starting point for development of an official Wimberley Tourism Plan.
  - ii. Creating and maintaining the DMO's 5-year strategic plan, 1-year operating plan and supporting budget to achieve Wimberley's tourism goals and deliver on the DMO's financial commitments. The strategic plan will target the leisure, business, and events/activities segment and outline the marketing strategy for each including: price, promotion, place, product, and partners. Priority will be given to the business and events/activities segment with the goal of ramping up tourism during the off-peak season on Sunday – Thursday.
  - iii. Maintain the "Experience Wimberley" website as the authoritative site for anyone interested in overnight leisure, business, or activity/event tourism. The site will also include the official Wimberley Happenings calendar of events and activities. Initial site layout, navigation structure, and search engine optimization (SEO) have already been completed by the WVTLA and will be transferred to the DMO.
  - iv. Creating and managing the "Experience Wimberley" prospect and tourist mailing list. Use of the mailing list to directly market and promote Wimberley to overnight travelers and to maintain an ongoing relationship with both prospective and active tourists.
  - v. Package and promote Wimberley and its assets to overnight leisure, business, and activity/event marketers, travel media, bloggers, tour operators, planners, and end users with the primary goal of increasing tourism during off-peak times.
  - vi. Establish and oversee goals and plans for DMO lines of business including: advertising sales, rack fees, gift shop, referral booking commissions, sponsored event ticket sales, other.
  - vii. Coordinate and align the tourism ecosystem to: 1) gather ongoing input and data for the tourism plan, 2) monitor impact of tourism efforts, 3)

- create a culture of tourism service and excellence, 4) package and promote Wimberley, and 5) freely encourage timely communication and exchanges among tourism service providers and partners.
- viii. Work with the HOT Committee and City Council to provide input and suggestions on tourism focus areas, goals, and plans as well as to report progress and results.
- ix. Work with Wimberley associations – i.e. Merchants, Lodging, Artists, etc., to create a shared view of responsible tourism approaches, methods, and practices as well as to propose initiatives for improving and sustaining tourism.
- x. Work with the chamber on “business to business” initiatives for creating a tourism service culture and to raise the standard of businesses to achieve tourism excellence and economic prosperity.
- xi. Administer the DMO as a for profit organization with transparency and governance required by shareholders, bondholders, GAAP, and applicable tax laws.
- xii. Develop the official ramp schedule and implementation plan necessary to deliver 33,000 more overnight tourists during Sunday – Thursday in the first and fourth quarter of the calendar year. Execute the implementation plan, monitor and report results, problem solve, and standardize as necessary.

D. The DMO is tasked with delivering on the following goals:

- i. Deliver 33,000 more overnight tourists to Wimberley in the off-peak season during Sunday through Thursday: 18,000 during the first quarter and 15,000 during the fourth quarter. See Appendix 4 for growth projections.
- ii. Establish Wimberley as a destination getaway for business travelers to host: 1) management retreats, 2) strategic planning meetings, 3) sales meetings, 4) recognition meetings, and 5) team building meetings thereby growing the overnight business travel segment from less than 1% to 6% of Wimberley’s total overnight tourism. See Appendix 4 for growth projections.
- iii. Increase event/activity tourism from 9% to 14% by positioning Wimberley as a preferred destination for: 1) weddings, 2) wine tours and tasting, 3) music festivals, 4) art workshops, 5) photography workshops, 6) authors and book writers, 7) hobby clubs, 8) motorcyclists, 8) cyclists, 8) car clubs, 9) natural health and wellness events, 10) 10k annual race, 11) cookout events, 12) art events. See Appendix 4 for growth projections.
- iv. Incrementally grow leisure tourism from 135,000 to 146,000 overnight tourists by positioning Wimberley as the go to place for: 1) snowbird vacationers, 2) off-peak bargain vacationers, 3) winter romantic getaways, 4) fall foliage tour, 5) wildflower experience. See Appendix 4 for growth projections.

- v. Promote responsible tourism by balancing the tourism load and timing to acquire no more than 45,000 – 46,000 tourists per quarter.
- vi. Achieve a minimum of \$5.00 returned for every \$1.00 of invested capital and \$2.00 returned for every \$1.00 of working capital yearly

E. Legal Structure

- i. The DMO will be incorporated as a C-corp. It will issue stock and sell debt in the form of bonds to create the necessary investment and working capital necessary to fund its operations.
- ii. The corporation is eligible to receive local and state grants as well as private and charitable donations.

F. Organizational structure

- i. The stock holders will elect DMO board members. The DMO board will be comprised of 9 members as follows:
  1. 4 – Lodging owners / hotel operators / reservation agents
  2. 2 – Merchants
  3. 1- Restaurant
  4. 1- Artists/gallery owner
  5. 1 – Citizen
- ii. The DMO board will hire an executive director. The executive director will sit on the board as a non-voting member. See Appendix 5 for the executive director’s job posting including required competencies.
- iii. The executive director will chair an advisory committee. The advisory committee will act as an operational and tactical sounding board for the DMO and provide critical input to the DMO director. The advisory committee will be comprised of 7 members representing the various interests of Wimberley.
- iv. The DMO executive director will have a group of trained volunteers and paid staff members to support in the daily operations of the DMO.

G. Private funding for Wimberley’s DMO

- i. Seed funding efforts for the DMO will be led by the Wimberley Valley Tourism and Lodging Association (WVTLA) and Wimberley Merchants Association (WMA) working in cooperation with the tourism related business and associations in the community.
- ii. Bonds with a 4% guaranteed annual return will be sold to generate \$100,000 of initial investment capital – i.e. seed capital. The face value of all bonds issued will be \$1000 with a maturity period of 7 years.
- iii. A “Go-Fund-Me” or Kickstarter project will be used to: 1) create tourism interest in the DMO by marketing the opportunity to “Keep Wimberley Wonderful” to past lodging guests, and 2) generate an additional \$25,000 of seed capital for the DMO.

- iv. See Appendix 6 for a complete breakdown of “sources” and “uses” of seed capital.
- H. Public funding request and use of HOT funds for Wimberley’s DMO
- i. \$20,000 per quarter (\$80,000 yearly) is requested as a HOT grant from the HOT Committee and City of Wimberley for the first year of operation. \$15,000 per quarter (\$60,000 yearly) is requested as a HOT grant from the HOT Committee and City of Wimberley for the second year of operation. \$7,500 per quarter (\$30,000 yearly) is requested as a HOT grant from the HOT Committee and City of Wimberley for the third year of operation. No funds for DMO operations will be requested after the third year.
  - ii. No request will be made for HOT Funds pay outs or draws by the DMO until proof of secured seed capital funds are provided to the city.
  - iii. HOT funds will be used as a line of credit for the DMO. The funds would be allocated and committed to the DMO but not paid out until requested by the DMO. Until such time, the HOT Committee and city agree to keep the funds in the existing HOT account but designated as “Committed DMO Funds”.
  - iv. The HOT grant line of credit will be used to mitigate working capital shortfalls in the DMO’s operations.
  - v. See Appendix 7 for three years of DMO Pro-Forma financials.
- I. Anticipated Financial Impact of Wimberley’s DMO
- i. The primary return on investment (PROI) from Wimberley’s DMO in the first year of operation is \$29.25 for every dollar of public / HOT money invested. This assumes full use of the HOT grant credit line up to \$80,000 in the first year of operation. The return is higher if less of the credit line is used. The primary ROI is \$19.50 and \$39.00 for every dollar of HOT funds invested in the second and third years of operation, respectively. Again, it is assumed the full \$60,000 and \$30,000 line in year two and three, respectively, would be used. See Appendix 8 for projected impacts and anticipated financial returns to the tourism industry and the city.
  - ii. In all years, the PROI well exceeds the \$2.00 return for every \$1.00 of investment threshold sought by the HOT Committee and the city.
  - iii. The secondary return on investment (SROI) from Wimberley’s DMO in the first year of operation is \$17.81 for every dollar of public / HOT funds invested. This assumes full use of the HOT grant credit line up to \$80,000 in the first year of operation. The return is higher if less of the credit line is used. The secondary ROI is \$11.88 and \$23.75 for every dollar of HOT funds invested in the second and third years of operation, respectively. Again, it is assumed the full \$60,000 and \$30,000 line in year two and three, respectively, would be used. See Appendix 8 for projected impacts and anticipated financial returns to the tourism industry and the city.

- iv. In all years, the secondary ROI well exceeds the \$3.00 return for every \$1.00 of investment threshold sought by the HOT Committee and the city.
  - v. Incremental sales tax revenue to the city at the current 1% tax rate resulting from the DMO's incremental tourism growth is estimated at \$14,250, \$7,125, and \$7,125 for the first, second, and third year, respectively. See Appendix 8 for projected impacts and anticipated financial returns to the tourism industry and the city.
  - vi. HOT tax proceeds for the city resulting from the DMO's incremental tourism growth, and assuming the current 5% rate, is estimated at \$117,000, \$58,500 and \$58,500 for the first, second, and third year, respectively. The total incremental HOT collected over the three-year period is \$234,000 which well exceeds the city's cumulative three-year HOT investment of \$170,000 in the DMO. In short, the city HOT fund makes a 37.65% cumulative return on the HOT money by granting the credit line to the DMO. See Appendix 8 for projected impacts and anticipated financial returns to the tourism industry and the city.
  - vii. Not sized or estimated are the impacts to the community center or the budget relief to the city resulting from the use of the community center for business meetings and events. We anticipate the city's ongoing losses (roughly 10% of the city's budget or \$100,000 yearly) from operating the community center will be mitigated by the incremental tourism growth the DMO will bring in the business and event/activity segments.
- J. Timeline for launching Wimberley's DMO
- i. Phase 1: Feasibility (Status: In process. Complete by September 30, 2016) – Major milestones in this phase include: Concept design, business plan writing, pro-forma and financial modeling, community vetting, and public funding proposal approval.
  - ii. Phase 2: Seed Capital Acquisition (Status: Pending. Complete by December 31, 2016) – Major milestones in this phase include: Incorporation, investor prospective, investor events, Go-Fund-Me or Kickstarter project launch, direct marketing to past Wimberley tourists, accounting for funds, account set-up, "proof of funds" submission to the HOT Committee and city.
  - iii. Phase 3: Site and Talent selection (Status: Pending. Complete by March 31, 2017) – Major milestones in this phase include: Site selection, executive director interviews and selection, site buildout, signage, acquisition of furnishings and equipment.
  - iv. Phase 4: Site and Talent Readiness (Status: Pending. Complete by September 30, 2017) – Major milestones in this phase include: Executive director starts work, set up of equipment and furnishings, select and train staff, transition website, set up lines of business, finalize tourism plan, secure partners, design and begin execution of campaigns, stock "Uniquely Wimberley" store, test run and debug, get ready for opening day, soft opening.

- v. Phase 5: Run the DMO (Status: Pending. Complete by October 31, 2017 and ongoing thereafter) – Major milestones in this phase include: Grand opening, email promotions to all previous overnight guests, daily push by tourism businesses to encourage patrons to visit the DMO’s new welcome center and Uniquely Wimberley store, execution of all campaigns, monitor and reporting of results, problem solving, improvements to service delivery, standardization.

K. Risks

- i. While every attempt has been made to present a conservative business plan for the DMO, there are potential risks to the plan.
- ii. Selection of a highly competent executive director is a significant risk to the DMO business plan. The right person can make the difference between success or failure. To minimize this risk, no candidate will be hired until the right candidate possessing the required mix of knowledge, skills, and abilities is found. A competitive salary with bonus potential and the DMO start-up opportunity should attract a diverse pool of prospective candidates. See Appendix 5 for a complete list of competencies required for the DMO executive director.
- iii. Other risks are typical to the start-up of any new business. These risks include: Economic downturn, cash flow, and ability to execute in accordance with plans. We anticipate an economic downturn is inevitable in the coming 18 months or sooner. The DMO’s cash flow risks will be mitigated by the HOT funds line of credit. Execution risks will be mitigated by an active board and adherence to strict project management discipline and practices.

8. HOT COMMITTEE FUNDING REQUEST

- A. \$20,000 per quarter (\$80,000 yearly) is requested as a HOT grant from the HOT Committee and City of Wimberley for the first year of operation.
- B. \$15,000 per quarter (\$60,000 yearly) is requested as a HOT grant from the HOT Committee and City of Wimberley for the second year of operation.
- C. \$7,500 per quarter (\$30,000 yearly) is requested as a HOT grant from the HOT Committee and City of Wimberley for the third year of operation.
- D. No funds for DMO operations will be requested after the third year.

## FREQUENTLY ASKED QUESTIONS

### **What is a Destination Marketing Organization (DMO)?**

A DMO is a specialized organization that strategically promotes overnight tourism to a city in accordance with a well thought out plan. DMOs approach tourism as a system for leveraging and packaging a city's assets to attract travelers based on their interests, move them around, get them back home, and remarket to them to start the process over while building a long term relationship. DMOs promote the development and marketing of a city as a "destination", focusing on acquiring leisure, business, and activity/event tourism through direct marketing, solution selling, and custom services that are highly targeted. DMOs may or may not include a welcome center and/or a retail shop for unique gifts and memorabilia.

### **What is the difference between a visitor center and a DMO?**

A visitor center is analogous to a welcome center. A visitor center primary purpose is to greet travelers upon arrival to the city and offer information on the area and/or surrounding areas. A DMO includes a visitor center but its mission is much more focused on treating tourism as a system designed to acquire the right mix of tourists, bring them into the city in an orderly way, satisfying their expectations, getting them back home, and continuing to foster a relationship to encourage a return visit to the city. A DMO views tourism as an ongoing process designed to spring to life the city's tourism goals and plans, while a visitor center sees tourism as an activity and has no tourism plan or goals.

### **What is the difference between Wimberley's chamber of commerce and a DMO?**

Wimberley's Chamber is a "business to business" organization focused on promoting community alliances. The chamber relies on membership fees to fund its operations and has little to nothing to do with promoting overnight tourism. The chamber operates a volunteer based visitor center which welcomes travelers already in the city that happen to stumble upon the visitor center. The chamber director also operates the Wimberley Valley Arts and Cultural Alliance (WVACA) organization using chamber resources. The chamber director is the sitting president for WVACA and the association shares the building and resources with the chamber. The DMO is all about tourism, the city's sole industry and lifeblood of economic prosperity. The DMO does not rely on membership fees nor does it operate any other businesses or associations. The legal structures, staffing, and operating models are also quite different. The chamber is a non-profit organization frequently focused on raising funds through donations to keep its director employed and its doors open. The chamber relies on volunteers to accomplish its work. The DMO is a for profit corporation privately funded by Wimberley businesses, local investors, and through the profits generated in delivering its sole product – responsible

tourism. The DMO does not rely on volunteers or grants to accomplish its mission.

**What is the economic impact of having a DMO for Wimberley?**

Over a 5-year period the DMO will deliver 33,000 more overnight tourists, Monday through Thursday in the first and fourth quarters of the calendar year when tourism is slowest in Wimberley. Thereafter, the DMO will enable Wimberley to sustain a steady state of 183,000 overnight tourists yearly. Over the five year cycle the DMO will deliver over \$7,500,000 in tourism dollars to the city. \$4,600,000 of those dollars will go to the lodging industry in the form of overnight guests, and \$3,900,000 will go to the merchants, restaurants, and venue operators in the form of paying patrons. The city will also benefit by collecting an additional \$234,000 in HOT funds which can be reinvested in securing and sustaining overnight tourism for Wimberley, and it will receive additional sales tax revenue of \$28,500.

**Are there any other benefits to having a DMO in Wimberley?**

Yes, there are other non-economic benefits to having a DMO. One of the community benefits is that the DMO is a proponent of responsible tourism. Responsible tourism practices allow the DMO to match the demand for tourists with the city's and businesses' ability to comfortably supply services and infrastructure to meet the demand placed on our community by tourism. Another benefit is that the DMO enables tourism to happen by design in an orderly and systematic way rather than having tourism happen haphazardly as it does now.

**Why is the DMO not taking over the existing visitor center?**

DMO proponents have approached the chamber board about the visitor's center becoming a part of the DMO. Representatives from the chamber board met with representatives from the DMO sponsorship team to discuss the possibilities of a joint team to design and implement the DMO. After the meeting, the chamber board voted down the chamber's participation in the DMO effort. The DMO sponsors remain open to discussions with the chamber board should they reconsider their position.

**Does the DMO need HOT Funds to operate?**

The DMO's business plan is privately funded and does not require HOT funds to start-up the DMO. However, the DMO sponsors have applied for HOT Funds to be used as a credit line in order to ensure the DMO has an additional source of funds to meet cash flow and operational needs in the event of an unforeseen situation. The DMO is not requesting the HOT money be paid out once the proposal is approved but rather, the money be kept in the city's HOT account and earmarked in the DMO's name. As needed and when needed, the DMO will use the line of credit to run its operations.

**When will the DMO be ready to open its doors?**

The DMO will be fully operational and ready to open its doors on October 31, 2017. The scheduled opening depends on many factors including approval of this proposal.

**Where will the DMO be located?**

The DMO will be located in an area where access and parking are available for tourists and that is close in proximity to the community center. A specific location has not been selected, but possible sites that meet the selection criteria are being considered.

**Does the community support the DMO?**

Absolutely! Conversations with numerous associations, citizens, and tourism related businesses have all been very positive. There is growing community recognition that tourism in Wimberley must be managed responsibly and community members are encouraged that a DMO is the proper solution.

## APPENDIX

**APPENDIX: 1 WVTLA Letter of Support for the Arts**

August 11, 2015

Laura Wiegand  
Texas Commission on the Arts  
920 Colorado, Fifth Floor  
Austin, TX 78601

Dear Laura,

As was stated in our letter to Jim Bob McMillan on 7/28/15, the Wimberley Valley Tourism and Lodging Association (WVTLA) is enthusiastically in support of Wimberley receiving a "Cultural District" designation from the Texas Commission on the Arts, and feel that this designation is well deserved for our community.

Since our last communication we are happy to report that on Thursday, August 6th, we attended a negotiated mediation between our association and representatives of the Wimberley Valley Chamber of Commerce. In our clearly defined roles, with the chamber being primarily responsible for business-to-business communications and the WVTLA responsible for the health and well being of the tourism and lodging interests, we feel positive about moving forward in a collaborative effort that will benefit our entire community.

We are agreed that if the city passes a HOT it will be the chamber and WVTLA's joint recommendation that the city form a HOT committee of seven individuals, four of whom will be appointed by the WVTLA as the organization responsible for tourism and lodging interests in the Wimberley valley, one from the chamber, one from the merchants and one representative from the arts who will work together to recommend any expenditures of HOT funds based on submittal of applications that demonstrate the likelihood of meeting the basic legislative requirements to generate new unfulfilled demand for "off peak" tourism and overnight lodging while fitting into one of the nine legislative categories deemed appropriate for use of these funds.

The WVTLA looks forward to working with all members of the arts in the Wimberley valley to assist them in whatever efforts and goals they may have for promoting and raising awareness for the arts in the Wimberley valley. If a HOT is passed, we will assist anyone's efforts in their application process to demonstrate and ensure that goals of a positive return on investment (ROI) in meeting legislative requirements are met that might trigger appropriations of funds for their proposed endeavor.

We appreciate your involvement with our past concerns, and we look forward to helping promote the arts through positive collaboration and the designation from the Texas Commission on the Arts for Wimberley to receive a "Cultural District" designation.

Sincerely,



Albert Valera  
Chairman  
Wimberley Valley Tourism and Lodging Association  
512-699-7594

**APPENDIX 2: Unsatisfied Request for Disclosure of HOT Funds Uses**

From: "Albert Valera" <albert.valera@wvtla.com>

Subject: Re: Unsatisfied Requests

Date: June 26, 2015 at 12:47:55 AM CDT

To: Brent H Pulley <bhpulley@yahoo.com>

Cc: Wimberley Valley Chamber of Commerce  
<chamber@wimberley.org>

June 26, 2015

Mr. Pulley.

I am in receipt of your package and letter dated June 17, 2005 and of your email dated June 24, 2015. Thank you for the information contained in the package and communications.

First, you have not clarified your role in any of my previous communications despite my request for you to do so. What exactly is your role in this matter? Have you been retained by the Wimberley Valley Chamber of Commerce (the "Chamber") and Wimberley Valley Convention and Visitors Bureau Foundation (the "Visitors Center") as legal counsel? If not, in what capacity and role are you corresponding with me?

*[CONTENT REDACTED FOR RELEVANCE]*

Third, my request for documents has not been fully satisfied. Your citing of open records, while relevant, does not absolve the Chamber of its delegated HOT responsibilities including the need to account for its use of HOT Funds from the City of Woodcreek. The law regarding Hotel Occupancy Tax is clear, specifically:

*The governing body of a city and county may, by written contract, delegate the management or supervision of programs and activities funded with revenue from the hotel occupancy tax. This delegation may be made to a person,*

*another governmental entity, or to a private organization. The delegation of this authority is often made to the local chamber of commerce or to the convention and visitor bureau.*

*There are a number of procedural requirements that the Legislature has imposed on entities that undertake management of these funds. For example, a city or county is required to approve in writing the portion of an entity's annual budget that involves expenditure of hotel occupancy tax funds. This approval must be sought in advance of the expenditures. Hotel tax funded entities also must submit at least quarterly reports to the city council or the commissioners court on their expenditures of the tax revenues. The reports must list all expenditures made by the entity from the hotel occupancy taxes provided by the city or county. The entity is required to keep complete and accurate financial records of each expenditure of hotel occupancy tax revenue. These records must be made available for inspection and review upon the request of the governing body or upon a request from any other person.*

*The entity delegated authority to manage these funded programs undertakes a fiduciary duty with respect to this revenue. Such entities are required to maintain the city hotel occupancy tax revenue in a separate bank account established for that purpose. This account may not be commingled with any other account.*

*Before making a hotel occupancy tax expenditure, a city, county, or other hotel occupancy tax funded entity must specify each scheduled activity, program, or event that is directly funded by hotel occupancy tax proceeds or has its administrative costs funded in whole or in part by the tax. The activity or program must directly relate to enhancing and promoting tourism and the convention and hotel industry.*

*If the city or county delegates to another entity the*

*management or supervision of an activity or event funded by the local hotel occupancy tax, each entity that is funded by the tax shall, before making an expenditure, specify each scheduled activity, program, or event that is directly funded by the tax or has its administrative costs funded in whole or in part by the tax. Further, the list must indicate the activities and programs that are directly enhancing and promoting tourism and the convention and hotel industry.*

*For legal references please see: §§ 351.101(c) (West Supp. 2011), 352.1015 (West 2008)., (Please note that a legislative body such as a city council is limited in the degree to which it may delegate its authority to another entity. See, for example, Texas Boll Weevil Eradication Foundation, Inc. v. Lewellen, 952 S.W.2d 454 (Tex. 1997). See also Andrews v. Wilson, 959 S.W.2d 686 (Tex. App. -- Amarillo, 1998)). Id. §§ 351.101(c) (West Supp. 2011), 352.1015(a) (West 2008)., §§ 351.101(d) (West Supp. 2011), 352.1015(b) (West 2008)., §§ 351.101(c) (West Supp. 2011), 352.1015(a) (West 2008).*

Therefore, my request for documents remains outstanding. While I will work from the general ledgers provided, I still require:

2009 - 2015 - Check register(s)

Additionally, I am also requesting: 1) 2009 - 2015 tax filings, 2) documented evidence before any expenditure of HOT funds, of the specific scheduled activity, program, or event that is directly funded by the tax or has its administrative costs funded in whole or in part by the tax. Further, the list must indicate the activities and programs that are directly enhancing and promoting tourism and the hotel industry, 3) financial records, documents, and evidence supporting HOT funds were not commingled with operating funds and that HOT funds have remained in separate accounts from 2009 to 2015, 4) quarterly or more

frequent reports prepared by the Chamber to the Woodcreek City Council on expenditures of the tax revenues from 2009 to 2015. The reports must list all expenditures made by the entity from the hotel occupancy taxes provided by the city from 2009 to 2015, 4) Complete and accurate financial records of each expenditure of hotel occupancy tax revenue from 2009 to 2015.

Since you told me "we have nothing to hide" in your June 17, 2015 correspondence and since the disclosure of this information is a State legislative requirement, I am sure it won't be an issue to provide the documents requested in a timely and cost effective manner.

Fourth, your communication on June 17, 2015 denying my request on behalf of the Wimberley Valley Tourism and Lodging association is duly noted and the WVTLA membership has been informed of the Chamber's meeting denial.

*[CONTENT REDACTED FOR RELEVANCE]*

Ninth, You and the Chamber are engaging in dialogues and smear campaigns against me personally, as a business owner, in my role in the WVTLA, and against our WVTLA organization in an effort to undermine credibility and/or standing in the community. Such behaviors will not be tolerated and are highly unprofessional. I and the WVTLA members ask that you inform the Chamber Board and Staff to stop such campaigning immediately.

Tenth, The WVTLA and I remain committed to the economic prosperity and well-being of the community. We have and will continue to work toward bringing this community together and encourage the Chamber Board and Staff to do the same. Our offer to meet with the Chamber Board and Staff to discuss our differences remains. Our request is that the Chamber Board and Staff reconsider their position and engage in an open, honest, and productive dialogue with the

WVTLA to rebuild our community and re-establish trust rather than hastily enlisting a lawyer to act on its behalf.

Lastly, a bit of unsolicited but prudent advice. Your role in this matter may appear to the State Attorney General as conflict of interest and a violation of the Legal Code of Ethics and Conduct. As a former City of Woodcreek Council Member, HOT proponent, and designated lead, you provided the direction to give HOT funds to the Chamber and oversaw expenditures of over \$90,000 of HOT funds. You are now, presumably, acting as legal counsel for the Chamber/Visitor Center, taking a heavy handed role in preventing the flow of information, and strong holding legitimate and necessary discussions regarding HOT, while attempting to single me out individually, undermine my reputation, and over reach your legal limits. Legal investigation of HOT funds uses by the City of Woodcreek and its designated entity - i.e. the Chamber/Visitor Center - indicates there is cause for concern.

I look forward to your response.

Respectfully,

Albert Valera

Albert Valera  
Chairman  
512-699-7594  
[albert.valera@wvtla.com](mailto:albert.valera@wvtla.com)

**APPENDIX 3: Chamber Board Exchange Regarding DMO**

From: Sherri Cline <sherriwcline@gmail.com>  
Subject: Re: Meeting Follow up  
Date: March 24, 2016 at 4:41:53 PM CDT  
To: Albert Valera <albert.valera@wvtla.com>  
Cc: "<Chamber@wimberley.org>" <chamber@wimberley.org>, Byron Eckols <byron.eckols.uwjg@statefarm.com>, John Kimbrew <leaningoak@txwinet.com>, Wimberley Chamber of Commerce <info@wimberley.org>, Bill Appleman <bill@creekhaveninn.com>, Lois Mahoney <Lois@blairhouseinn.com>, Robbie Walker <info@hillsoftexaslodging.com>

Good afternoon Albert,  
I hope that you and yours fared well during last night's storm.  
We did meet on Monday evening and the board believes that working within the existing organizations is a more productive use of time.

Wishing you all the best,  
Sherri

On Wed, Mar 23, 2016 at 11:45 AM, Albert Valera <albert.valera@wvtla.com> wrote:  
Hi Sherri.

I understand you had your board meeting on 3/21. Can you please let me know what is the board's decision on having the chamber participate on the design team for the creation of a destination marketing organization (DMO).

Many thanks,  
Albert  
512-699-7594

On Feb 26, 2016, at 3:11 PM, Albert Valera <albert.valera@wvtla.com> wrote:

Sherri - Thank you for the follow up note.

The WVTLA is moving forward with the creation of a DMO design team. Please let us know if the chamber board wants to participate on the design team by no later than 3/15/2016.

I understand true innovation and change can only happen once we give up tradition and the politics of protecting the past. To this end, my offer to have one of our WVTLA board members attend your board meeting to frame the issues and facilitate an action oriented discussion still stands. Let me know if this offer would be helpful.

Many thanks,  
Albert  
512-699-7594

On Feb 26, 2016, at 1:49 PM, Sherri Cline  
<sherriwcline@gmail.com> wrote:

Albert,  
This has given the board a lot to consider. I'll be sure to bring it up at the appropriate time.

Sent from my iPhone

On Feb 25, 2016, at 12:47 PM, Albert Valera  
<albert.valera@wvtla.com> wrote:

Hi Sherri.

Thank you for the follow up email. Based on the gaps between my email and yours, we have the starting discussion points for our next meeting.

I understand the four of you do not represent the entirety of

the chamber's board, nor can the four of you move forward without a vote of agreement to do so from the board. When do you expect to have an answer from the board? If it helps, one of our WVTLA board members can come to your board meeting to frame the issues and facilitate an action oriented discussion.

Thank you for reiterating the concern about the visitor center's deed. Can you provide us with a copy of the deed agreement? I'd like to make sure we all understand the issues and ground ourselves accordingly.

Please take a look at the attached document. Bastrop has moved in the same direction we are proposing. They've gotten themselves out of the visitor center business so they can focus their resources on the core chamber mission of serving the community through business to business initiatives.

Implicitly, the Bastrop chamber also acknowledges a DMO can do a better end-to-end marketing job than their existing visitor center.

Thank you again for staying engaged and moving the DMO discussion forward.

Please let me know when we can expect a response and if you are willing to share a copy of the deed agreement.

All the best,  
Albert  
512-699-7594

<Bastrop Visitor Center.PDF>

BASTROP

## Chamber withdrawing from visitor center job

Organization wants to focus on promoting businesses.

By Andy Sevilla [asevilla@acnnewspapers.com](mailto:asevilla@acnnewspapers.com)

BASTROP — The Bastrop Chamber of Commerce plans to devolve itself from operating the city's visitor center and instead will focus on advocating for and promoting Bastrop's business industry.

In doing so, the chamber will return \$17,000 in allocated Hotel Occupancy Tax funds to the city of Bastrop — monies used for the operation of the visitor center — and will continue to run the center through December, until the facility can become established on its own.

"Our goal in this revised request is to assist in facilitating a move towards a single 'Visitor Center' for Bastrop," said chamber president Becki Womble and board chairman Johnny Sanders in a written letter to the city earlier this month. "We believe this revision may also free up potential funding for the formation of a Designation Marketing Organization (DMO)."

City officials have discussed how to move forward with marketing efforts for Bastrop once the city's current marketing contract expires in June 2016.

Currently, the city lumps over about \$900,000 of its Hotel Occupancy Tax funds to the Hyatt Lost Pines to run a regional marketing campaign through the Bastrop Marketing Corporation.

In August, Councilwoman Kay McAnally presented an alternative proposal to centralize all marketing efforts by the city and various local groups rather than having separate organizations spreading out efforts.

Chamber officials said their decision to pull back from the visitor center came after a strategic planning session in September, in which they discussed the need to clarify a key objective: representation of Bastrop businesses.

"This key objective, to be perceived as the 'Voice of our Business Community,' requires that we maintain a free and unimpaired voice of advocacy to elected officials on behalf of our 650+ members," officials said.

Chamber officials said the move will allow the organization to provide services and training for members and support public policy initiatives favorable to business.

Contact Andy Sevilla at 512-321-2557.

Twitter: @MrAndySevilla

On Feb 25, 2016, at 8:22 AM, Sherri Cline  
<sherriwcline@gmail.com> wrote:

Good morning Albert and thank you for sending out the email. I think if we can all work together we can benefit our entire community.

I do have a few corrections to the email you sent out. While our discussions were full possibilities, we did not come to any agreements.

Specifically:

1. While you expressed the opinion that the Visitors Center does not drive mid-week overnight visitors, we did not agree with that and we certainly did NOT come to an agreement that the Visitors Center is not eligible for HOT funds.
2. We discussed many of the issues presented here and were enthusiastic about the possibilities, but we did not agree that a new DMO would "replace the Visitors Center."
3. We also did not agree that the DMO would be operated independently – we discussed it.
4. See above
5. We discussed some financing options, but we didn't agree that those would be the sole source of financing.
6. See above
- 7 - 8. We didn't discuss accounting
9. We did not discuss HOT funds for the DMO
10. We did discuss the need to develop a cohesive vision
11. We did not discuss 11-12, at least while we were in the meeting.

While we agreed that we would bring up the issues discussed in the meeting with our board, we did not discuss any timetable or deadline.

I need to re-iterate the issue that I brought up in the meeting: the deed to the Visitors Center is granted by an outside agency and that deed is for the current iteration of the Wimberley Valley Chamber of Commerce and Visitor Center operating the building and serving the community

and its visitors. As you know, the Visitor Center is an integral part of the chamber of commerce.

While the four of us were there as representatives of the chamber, we cannot make decisions for the Visitors Center without a vote of the board and the deed restrictions for the Visitors Center restrict what can be done.

Best,  
Sherri

On Thu, Feb 25, 2016 at 12:11 AM, Albert Valera  
<[albert.valera@wvtia.com](mailto:albert.valera@wvtia.com)> wrote:

Hi everyone.

Just a quick follow up note to thank you for the time we spent this past Monday.

In attendance:

Sherri  
Cathy  
John  
Byron  
Bill  
Lois  
Albert

To recap here is what we agreed to:

1. Current visitor center is not eligible for HOT funds as it does not meet the mediation agreement requirements for overnight lodging and positive ROI - i.e. off peak overnight tourism during the 1st and 4th quarter.
2. We have an opportunity to build a destination marketing organization (DMO) that:
  - replaces the visitor center and its associated resource drain on the chamber

- is staffed by a full time tourism director that has demonstrated competency and a track record of performance in tourism and destination marketing
  - is responsible for implementation of the Wimberley Tourism plan currently under development
  - has responsibility for bringing tourists in, moving them around, getting them out, and bringing them back
  - has hired staff (much less dependence on volunteers)
  - is self-sustaining - i.e. breaks even or is profitable within 2 years
3. The DMO is operated independently of the City, Chamber, WVTLA, WMA, WVACA and/or any other associations
  4. The DMO would have an elected board with representatives from the community and associations
  5. The DMO will represent all tourism related organizations but is not dependent on membership fees, volunteers, or grants to meet its operational objectives
  6. The DMO will have multiple revenue streams - i.e. rack fees, representation fees, advertising and promotional fees, booking agency commissions, online sale commissions, etc.
  7. The DMO will be accountable for responsible financial management including profit and loss, as well as balance sheet management
  8. The DMO will be transparent in its accounting and decisioning processes and provide public disclosure as required/requested
  9. The DMO may be eligible, but is not necessarily guaranteed HOT funds, private funds, and/or other public funding
  10. We need to agree on a cohesive DMO vision and business plan that is not constrained and/or limited by tradition, funding, or political constraints
  11. The chamber will consider the current visitor center building as a potential DMO site (co-location of chamber offices was not discussed)
  12. Other prospective DMO sites will also be evaluated

### Next Steps

The chamber board will meet and discuss if they want to move forward and participate with the WVTLA in the design and business plan creation of the DMO - Response due by no later than 3/4/2016.

If anyone has further questions or wants to challenge what I have summarized, please reply to all and we can discuss openly.

I look forward to creating a DMO that will be much better than the sum of the parts that led us to this conversation.

My personal goal is to have the DMO created, funded, staffed, and up and running by the first quarter of 2017. I encourage everyone to work together to meet this aggressive timetable and to challenge themselves to build something that makes our community truly prosper through responsible and deliberate tourism practices.

Many thanks,  
Albert  
512-699-7594

### APPENDIX 4: Overnight Tourism Ramp Schedule

Addressable Segment	Growth in Overnight Tourism											
	Baseline	%	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
Leisure	135,000	90%	137,600	86.0%	137,775	86.0%	142,800	84%	143,500.00	82%	146,640	80%
Event/Activity	13,500	9%	17,600	11.0%	21,450	11.0%	20,400	12%	22,750.00	13%	25,662	14%
Business	1,500	1%	4,800	3.0%	5,775	3.0%	6,800	4%	8,750.00	5%	10,998	6%
<b>Total Tourism</b>	<b>150,000</b>	<b>100%</b>	<b>160,000</b>	<b>100%</b>	<b>165,000</b>	<b>100%</b>	<b>170,000</b>	<b>100%</b>	<b>175,000</b>	<b>100%</b>	<b>183,300</b>	<b>100%</b>
<b>YOY Tourism Increase</b>	-		10,000		5,000		5,000		5,000		8,300	
<b>Cum. Tourism Increase</b>	-		10,000		15,000		20,000		25,000		33,300	

## APPENDIX 5: DMO Executive Director Position Requirements

### Position Description

The Destination Marketing Organization Executive Director will be responsible for designing, staffing, operating, and managing all aspects of the organization in order to achieve tourism goals and deliver on financial commitments.

### Reporting Relationship

The Executive Director reports to the Executive Board Chairperson of the DMO.

### Direct Reports

The executive director will staff and manage a team of paid staff, volunteers, and contractors and will have hiring, contracting, and termination authority over the same.

### Responsibilities

- Lead efforts with the community, city, associations, and board of directors to create a 5-year strategic tourism plan for the City of Wimberley.
- Collaborate with the board of directors to develop strategies, programs, campaigns, and practices to promote tourism and achieve the tourism plan goals.
- Establish and maintain an annual tourism budget that brings to life the annual operating plan on a cost effective basis.
- Plan research-based strategies and marketing campaigns to sustain and, as appropriate, increase leisure, business, and event/activity tourism and market share.
- Select mix of advertising including web, media, print, radio, and television, necessary to target tourism segments and bring offers, campaign, and messages to life by making affordable and effective media buys.
- Oversee offer development, creative campaign design, as well as message positioning and placement for desired impact.
- Organize various media information kits, public relations releases.
- Lead the final development and launch of the "Experience Wimberley" website with special emphasis on packaging the city's assets and tourism ecosystem to meet the needs of the leisure, business, and event/activity tourism segments.
- Develop and leverage relationships with national and regional tourism based travel media, publishers, writers, bloggers, tours operators, and travel agents to reach and attract the leisure, business, and event/activity tourism segments to Wimberley
- Design, develop and conduct familiarization tours of the City of Wimberley for media, event planning, tour operators and travel agents.
- Implement cooperative advertising programs integrating the tourism ecosystem existing in Wimberley to package the city as the "destination" best meeting the needs of the leisure, business, and event/activity tourism segments.
- Act as the spokesperson for the DMO and its responsible tourism products and services.

- Establish and oversee goals, plans, and pricing for DMO lines of business including: advertising sales, rack fees, gift shop, referral booking commissions, sponsored event ticket sales, etc.
- Prepare and deliver presentations to both local and regional civic and governmental organizations on tourism.
- Attract, select, and develop DMO staff.
- Design, develop, and implement in-service training programs for staff volunteers.
- Create and manage the “Experience Wimberley” prospect and tourist mailing list. Use mailing list to directly market and promote Wimberley to overnight travelers and to maintain an ongoing relationship with both prospective and active tourists.
- Package and promote Wimberley and its assets to overnight leisure, business, and activity/event marketers, travel media, bloggers, tour operators, planners, and end users with the primary goal of increasing tourism during off-peak times.
- Establish and oversee goals and plans for DMO lines of business including: advertising sales, rack fees, gift shop, referral booking commissions, sponsored event ticket sales, other.
- Coordinate and align the tourism ecosystem to: 1) gather ongoing input and data for the tourism plan, 2) monitor impact of tourism efforts, 3) create a culture of tourism service and excellence, 4) package and promote Wimberley, and 5) freely encourage timely communication and exchanges among tourism service providers and partners.
- Work with the HOT Committee and City Council to provide input and suggestions on tourism focus areas, goals, strategies, and plans as well as to report progress and results.
- Work with Wimberley associations – i.e. Merchants, Lodging, Artists, etc., to create a shared view of responsible tourism approaches, methods, and practices as well as to propose initiatives for improving and sustaining tourism.
- Work with the chamber on “business to business” initiatives for creating a tourism service culture and to raise the standard of businesses to achieve tourism excellence and economic prosperity.
- Administer the DMO as a for profit organization with transparency and governance required by shareholders, bondholders, GAAP, and applicable tax laws.
- Plan, execute, monitor and report results, problem solve, and standardize as necessary to make the DMO an effective and efficient operation.

### **Competencies Required**

- Successful track record of delivering verifiable results in the tourism industry.
- Business development and retail management experience.
- Business, financial, and marketing acumen.
- Knowledge of tourism in city with less than 10,000 residents.
- Self-starter with a passion for getting things done while creating contagious enthusiasm.
- Computer literate, Mac OS, MS office, and web savvy.

- Exceptional oral and written communications.
- Exceptional public speaking and presentation skills.
- Strategic thinker and problem solver.
- Proven skills in planning, organizing, managing, controlling, and evaluating organizations, teams, programs, and projects.
- Project management discipline.
- Executive presence and gravitas.
- Strong interpersonal skills with a consultative selling bias.
- BBA with focus on marketing, hospitality management, and or tourism. A master's degree in business management is preferred.

### **Compensation**

The DMO Executive Director is a full time exempt salaried position. Salary plus bonus eligible compensation package.

## APPENDIX 6: DMO Seed Capital Funding Requirements

	Seed Capital
<b>Sources of Funds</b>	
1. Debt Sale - Bonds @ 4%	\$100,000.00
2. Go-Fund-Me / Kick Starter	\$25,000.00
3. Other	\$-
<b>Total Sources</b>	<b>\$125,000.00</b>
<b>Uses of Funds</b>	
Deposits	\$2,500.00
Lease	\$2,500.00
Buildout	\$8,000.00
Equipment	\$10,000.00
Furnishings	\$6,000.00
Signage	\$3,000.00
<b>Total Use of Funds</b>	<b>\$32,000.00</b>
Working Capital - 3 Months	\$93,000.00

## APPENDIX 7: DMO Financials

	Start-up Ramp - Year 0				Year 0	Year 1	Year 2
	Q1	Q2	Q3	Q4			
<b>Recurring Revenues</b>							
1. Web Advertising	\$ 1,406	\$ 1,969	\$ 3,656	\$ 4,781	\$ 11,813	\$ 20,250	\$ 20,250
2. Rack Fees	\$ 1,125	\$ 1,500	\$ 1,875	\$ 2,250	\$ 6,750	\$ 2,250	\$ 2,250
3. e-Newsletter	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 5,000	\$ 5,000	\$ 5,000
3. Print Ad Fees DMO Brochure	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 10,000	\$ 10,000	\$ 10,000
4. Experience Wimberley Kit	\$ 6,388	\$ 6,388	\$ 6,388	\$ 6,388	\$ 25,550	\$ 25,550	\$ 25,550
5. Visitor Center Preferred list	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 18,000	\$ 18,000	\$ 18,000
6. Booking Commission Fees	\$ 4,290	\$ 1,040	\$ 1,040	\$ 4,290	\$ 10,660	\$ 11,700	\$ 15,860
7. Gift Shop	\$ 2,500	\$ 3,000	\$ 3,000	\$ 2,500	\$ 11,000	\$ 12,000	\$ 13,000
8. Event - Admission & Fees	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 5,000	\$ 5,000
9. Other Income	\$ 23,959	\$ 22,146	\$ 24,209	\$ 30,959	\$ 101,273	\$ 109,750	\$ 114,910
<b>Total Recurring Revenue</b>	<b>\$ 47,918</b>	<b>\$ 44,292</b>	<b>\$ 48,418</b>	<b>\$ 61,918</b>	<b>\$ 202,546</b>	<b>\$ 219,500</b>	<b>\$ 229,820</b>
<b>Non-recurring Revenues</b>							
1. Other Income							
2. HOT Grants	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 80,000	\$ 60,000	\$ 40,000
3. Gifts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total All Revenue</b>	<b>\$ 67,918</b>	<b>\$ 64,292</b>	<b>\$ 68,418</b>	<b>\$ 81,918</b>	<b>\$ 282,546</b>	<b>\$ 279,500</b>	<b>\$ 269,820</b>
<b>Variable Costs</b>							
Cost of Goods Sold	\$ 6,833	\$ 7,133	\$ 7,133	\$ 6,833	\$ 27,930	\$ 28,530	\$ 29,130
Payroll	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 100,000	\$ 110,000	\$ 121,000
Contractors / 3rd party	\$ 8,000	\$ 8,000	\$ 8,000	\$ 12,000	\$ 36,000	\$ 30,000	\$ 30,000
Lead Generation	\$ 12,000	\$ 12,000	\$ 14,000	\$ 18,000	\$ 56,000	\$ 50,000	\$ 38,000
Credit Card Processing Costs	\$ 1,438	\$ 1,329	\$ 1,453	\$ 1,858	\$ 6,076	\$ 6,585	\$ 6,895
<b>Total Variable Costs</b>	<b>\$ 53,270</b>	<b>\$ 53,461</b>	<b>\$ 55,585</b>	<b>\$ 63,690</b>	<b>\$ 226,006</b>	<b>\$ 225,115</b>	<b>\$ 225,025</b>
<b>Contribution Margin</b>	<b>\$ 14,648</b>	<b>\$ 10,831</b>	<b>\$ 12,833</b>	<b>\$ 18,228</b>	<b>\$ 56,539</b>	<b>\$ 54,385</b>	<b>\$ 44,795</b>
<b>Fixed Costs</b>							
Building Lease	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 14,400	\$ 14,832	\$ 15,277
Utilities	\$ 450	\$ 450	\$ 450	\$ 450	\$ 1,800	\$ 1,854	\$ 1,910
Internet/Phone/Telecom	\$ 600	\$ 600	\$ 600	\$ 600	\$ 2,400	\$ 2,472	\$ 2,546
Debt Service	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 16,000	\$ 16,000	\$ 16,000
<b>Total Fixed Costs</b>	<b>\$ 8,650</b>	<b>\$ 8,650</b>	<b>\$ 8,650</b>	<b>\$ 8,650</b>	<b>\$ 34,600</b>	<b>\$ 35,158</b>	<b>\$ 35,733</b>
<b>Profit Before Interest &amp; Taxes</b>	<b>\$ 5,998</b>	<b>\$ 2,181</b>	<b>\$ 4,183</b>	<b>\$ 9,578</b>	<b>\$ 21,939</b>	<b>\$ 19,227</b>	<b>\$ 9,063</b>

## APPENDIX 8: Projected DMO Impact – ROI

Tourism Impact	Year 1	Year 2	Year 3
YOY Tourism Increase	10,000	5,000	5,000
Cumulative Tourism Increase	10,000	15,000	20,000
<b>Lodging Revenue 130/night</b>			
30% stay one night	\$390,000.00	\$195,000.00	\$195,000.00
60% stay two nights	\$1,560,000.00	\$780,000.00	\$780,000.00
10% stay 3 nights	\$390,000.00	\$195,000.00	\$195,000.00
<b>Total Overnight Lodging Revenue</b>	<b>\$2,340,000.00</b>	<b>\$1,170,000.00</b>	<b>\$1,170,000.00</b>
HOT Funds Invested Yearly	\$80,000.00	\$60,000.00	\$30,000.00
<i>Primary HOT Return on Investment</i>	\$29.25	\$19.50	\$39.00
<b>Other Revenue</b>			
<b>1. Restaurants - 40 Std./day</b>			
30% stay one night	\$120,000.00	\$60,000.00	\$60,000.00
60% stay two nights	\$480,000.00	\$240,000.00	\$240,000.00
10% stay 3 nights	\$120,000.00	\$60,000.00	\$60,000.00
<b>Subtotal Restaurants</b>	<b>\$720,000.00</b>	<b>\$360,000.00</b>	<b>\$360,000.00</b>
<b>2. Merchants - \$25 Std./day</b>			
30% stay one night	\$75,000.00	\$37,500.00	\$37,500.00
60% stay two nights	\$300,000.00	\$150,000.00	\$150,000.00
10% stay 3 nights	\$75,000.00	\$37,500.00	\$37,500.00
<b>Subtotal Merchants</b>	<b>\$450,000.00</b>	<b>\$225,000.00</b>	<b>\$225,000.00</b>
<b>3. Venues/Entertainment - \$15 Std./Day</b>			
30% stay one night	\$45,000.00	\$22,500.00	\$22,500.00
60% stay two nights	\$180,000.00	\$90,000.00	\$90,000.00
10% stay 3 nights	\$30,000.00	\$15,000.00	\$15,000.00
<b>Subtotal Venues/Entertainment</b>	<b>\$255,000.00</b>	<b>\$127,500.00</b>	<b>\$127,500.00</b>
<b>Other Revenue Grand Total</b>	<b>\$1,425,000.00</b>	<b>\$712,500.00</b>	<b>\$712,500.00</b>
<i>Secondary HOT Return on Investment</i>	\$17.81	\$11.88	\$23.75
<b>Incremental Tax Revenue</b>			
City Sales Tax Proceeds @1%	\$14,250.00	\$7,125.00	\$7,125.00
HOT Proceeds @ 5%	\$117,000.00	\$58,500.00	\$58,500.00

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July 28, 2016

Wimberley Valley Tourism and Lodging Association  
Albert Valera

Albert,

The Wimberley Merchants Association voted at our July 11 meeting, in support of the WVTLA plan for a Direct Marketing Organization concept (DMO).

Regards,

Tammy Steen  
Recording Secretary, Wimberley Merchants Association

HOT COMMITTEE RECOMMENDATION

Proposal Name: Texas Property Masters

Date Evaluated: Sept 7, 2016

HOT COMMITTEE RECOMMENDS: FUNDING with Conditions

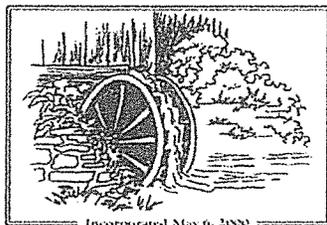
Proposal Summary:

a) Total Project Proposal Cost	\$10,000.00
b) HOT funds requested	\$5,000.00
c) Equity Required (30%) verifiable	Yes
d) Anticipated Overnight Lodging - (x\$130)	\$11,050.00
e) Anticipated Community Impact	\$ 5,525.00
f) Primary ROI (f/b)	2:2
g) Secondary ROI (g/b)	1:1

Committee Votes: Fund : 7 Don't Fund: 0

Committee Notes: The committee recommended funding this application with the requirement that advertising be expanded to include Dallas and/or Houston per the state legislature guidelines "a visitor travels 50+ miles". The existing advertising plan doesn't target that market.

Recommendation to Proposal Submitter: The committee feels that the Photography Workshop and Competition will be an asset to the events already held in the area. We recommend that the submitter focus his advertising outside the 50 mile radius to bring in more repeat overnight visitors.



## Application for City of Wimberley HOT Funds

Instructions: Type or print clearly. If not enough space is provided, please attach additional pages.

### Organization/Group/Facility Information

Organization/Group/Facility Name: *Tx Property Masters*

Address:

*13810 Ranch Road 12*

City: Wimberley

State: Tx

Zip. 78676

Contact Name:

*Phil Collins*

Contact Phone:

*713-208-7145*

Contact Email:

*phil@collinstx.net*

Website Address for Event or Organization:

*Not complete at this time.*

Non-Profit or For-Profit Status:

*For Profit Business*

Federal Employer Identification Number (FEIN) (If available)

---

Purpose/Mission of Organization: *This business is primarily an Investment Company focused on long term growth of Real Estate in the Greater Wimberley Area. We are providing this event to support*

*their related lodging businesses, and for the greater good of Wimberley, it's businesses, it's Citizens and Visitors.*

General Event/Program Information Name of event/program to be funded:

*Nature Photography Workshop and Competition.*

*Featuring noted speakers and experts. Also included is a 2 day round-robin competition centered on photographs in and around Wimberley during the competition.*

Primary location of event/program: *Event to be held at Wimberley Community Center and/or 13810 Ranch Road 12 property ( with parking on both Old Kyle Road, and Ranch Road 12 ). All of Wimberley shall be used for the actual nature photographs.*

Date of event/program: *Sun Thru Tues in Feb 2017 - Expected attendance: 80*

How many times have you held this event/program? *This will be the first time for this event, but we have hosted or been actively involved in various marketing and fund raising functions in the past.*

If the funding requested is for a permanent facility rather than a specific event (e.g. museum, visitor center, convention facility), please complete this section: *N/A*

Anticipated number of visitors/attendance monthly/annually:

\_\_\_\_\_

Number of those visitors/attendance who are staying in Wimberley lodging: \_\_\_\_\_

For each of the last three times the event/program has been held, list the year held, the number of attendees and the method of determining attendance (crowd estimates, ticket sales, sign-in sheet, etc.

Year Held	Number of Attendees	Methodology
_____	_____	_____
_____	_____	_____
_____	_____	_____

Identify the HOT category for which the event/program will benefit (refer to Page 1):

\_\_\_\_\_

What is the primary purpose of the event/program for which this application applies?

Increased bookings for Wimberley Lodging entities during the historically lowest occupancy time of the year. Secondary purpose to increase sales to local artists, merchants, and restaurants.

Funding Request

Total Event/Program Budget: \$10,000.

Total Amount Requested: \$5,000.

Percentage of total event or program cost to be covered by the requested HOT funds: 50%

How will the funds be used? *Funds will be used to pay any community center costs, advertising, flyers, costs of trophies, any required portocans, security, refreshments, printed materials, managing social marketing, cost for key note speakers, and other associated costs.*

Advertising and Promotional Activities

Please indicate all the promotional efforts your organization is coordinating:

XX Newspaper      \_\_\_\_\_ Radio      \_\_\_\_\_TV  
XX Internet                                      XX Social Media                                      XX Email

*Other – Flyers posted in local businesses, direct marketing to all related clubs and groups in Texas. Also to complete database of Wimberley Lodging Members previous Customers.*

Will you submit press releases about the event/program?      XX Yes      No

If so, list the number of releases plus targeted media outlets. *One release per month, for 3 months. Release to all newspapers within 50 miles of Wimberley, All radio stations within 50 miles, and all associated websites.*

What geographic area does your advertising and promotion reach? *Marketing will be targeted as follows:*

*Geographic – Austin, San Antonio, Fredericksburg, and all mid-sized areas within 60 miles of Wimberley.*

*Previous Visitors – Any and all previous Wimberley visitors that we can find thru databases of lodging, and merchants.*

*Also local Universities. Associated websites. Any associated Blogs.*

Projected Promotions and Tourism Benefits

Over the last three times your event/program was held, how much HOT fund assistance did your organization receive and how many hotel rooms were occupied as a result? *N/A*

Month/Year	Assistance Amount	Number of Occupied Rooms
_____	_____	_____
_____	_____	_____
_____	_____	_____

How many people attending this event/program are expected to stay in Wimberley hotels or Lodging? *70 People. Assume that this will be 30 Couples and 5 singles. Assume that each couple will stay an average of 2.5 nights ) ie – one half will come in to stay on Saturday, or stay thru Tuesday night ). Assume that the singles will stay 2 nights only. The format is such that there will be a welcome event on Sunday evening, and the event will go thru until sometime on Tuesday.*

How many nights will they stay? *It adds up to a total of 85 room nights booked.*

What is the estimated Primary ROI for this event/program? *The ROI is based 100% on rooms booked. 85 room nights at an average of \$130/nt equals \$11,050 return. On an HOT investment of \$5,000, this equates to a 2.21X return on Capital Employed.*

What is the estimated Secondary ROI for this event/program? *All other dollars from merchant sales, restaurants, artist galleries, etc, are not included, but add to the overall business case for this*

investment. Assume that 50% of room charges are spent on these items, and that comes to \$5,525, bringing the total return to \$16,575. This equates to a total return on Capital Employed of 3.32X.

How will you measure the impact of this event on Wimberley hotel activity? All guests attending the festival shall be required to register their intent/need for local lodging. At the event, we will collect the actual information for where they are staying ( a specific volunteer will track them down individually ). We will also have all lodging merchants to poll the guests that stay on this date, to see if they are there for the event.

Please list other organizations, government entities and grants that have offered financial support to your event/program. *None. All costs not covered by HOT funds will come out of my pocket personally.*

#### REQUIRED Supplemental Information and Documentation

Please attach the following to the application prior to submission:

- Proposed marketing plan for the event/program for which funds are being requested.

*Social Media – Develop Face Book page, Twitter Account*

*Buy Domain name and develop event specific website.*

*Place print ads in area newspapers*

*Make direct contact with presidents of all related clubs/groups that I can.*

*Place flyers in all merchants that allow.*

- Schedule of activities relating to the event/program. Details Below:

*Sunday 6:00 – 7:15 PM – Cocktails and opening Mixer*

*Monday 9:00 AM – 4:30 PM First and Second round of photo competition.*

*Monday Noon – Arranged tour for spouses to local attractions*

*Tuesday – 9:00 AM to 3:30 PM - Third and final round of event*

- Current budget for the event/program:

*Meeting Space - \$3,000*

*Printing \$500*

*Advertising \$2,000*

*Speakers \$1,000*

*Trophies/Awards \$500*

*Refreshments \$2,000*

*Misc \$1,000*

Gifts – May solicit giveaways from local merchants

Total            \$10,000

- ☉ Documentation demonstrating the potential to generate overnight guests such as historical information or surveys on the number of hotel rooms resulted from previous years of the same event/program. *N/A for the first event.*
- ☉ Source and verification of the 30 percent of funding you are contributing toward the event/program. *The funds that I am providing will come from my personal accounts. If needed, I am happy to provide a statement from my bank that I have \$5,000 available in liquid funds.*

Please sign and initial where indicated below acknowledging that the information provided in this application is true and correct. By signing below, you also agree that you and your organization will be held responsible for compliance with all HOT funding guidelines, requirements and remedies.

I fully understand the HOT funding application process, rules governing the application and the process established by the city council. I intend to use this grant for the aforementioned event to forward the efforts of the City of Wimberley in directly enhancing and promoting tourism and the hotel industry by attracting visitors from outside Wimberley into the city.

PG Initial

I have read the HOT Funding Application process including the rules governing the application and the reimbursement process.

PG Initial

I understand that if I am awarded HOT funding by the city, any deviation from the approved project or from the rules governing the application may result in the partial or total withdrawal of HOT grant funds.

PG Initial

I understand that all the records that relate to the use of HOT funds shall be kept by City and or OT Tax Committee (Organization), subject to Chapter 351 of the Texas Tax Code as amended and Chapter 552 of the Texas Government Code as amended. Records of this application (Organization) concerning HOT funds are public and the city shall, upon written request, have the right to inspect and or obtain all books and records pertaining to the fulfillment of this Agreement.

PG Initial

I understand that the city may terminate this Agreement by giving the other party notice in writing of such termination sixty days in advance. Any municipal hotel occupancy tax proceeds, not used, shall revert to the city upon the termination of this Agreement.

PG Initial

Authorized Signature - *Phil Collins*

Date July 30, 2016

Print Name - Phil Collins

Title and Organization - President – Tx Property Masters

Applications may be submitted by mail, email or in person to:

City of Wimberley

P.O. Box 2027

Wimberley, Texas 78676

Email: [dferguson@cityofwimberley.com](mailto:dferguson@cityofwimberley.com)

## HOT COMMITTEE RECOMMENDATION

Proposal Name: Wimberley Valley Arts and Cultural Alliance

Date Evaluated: Sept 7, 2016

HOT COMMITTEE RECOMMENDS: PARTIAL FUNDING OF \$5,000

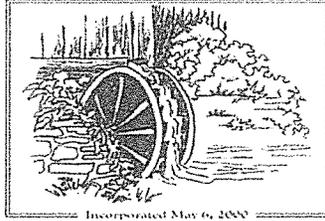
### Proposal Summary:

a) Total Project Proposal Cost	\$32,000.00
b) HOT funds requested	\$20,000.00
c) Equity Required (30%) verifiable	Yes
d) Anticipated Overnight Lodging - (x\$130)	\$26,500.00
e) Anticipated Community Impact	\$20,250.00
f) Primary ROI (f/b)	1:1
g) Secondary ROI (g/b)	1:1

Committee Votes: Fund Fully: 1 Fund Partially: 6

Committee Notes: The committee recommended funding the advertising budget only of this plan.

Recommendation to Proposal Submitter: The committee feels that Wimberley Alive has the ability to become a successful future event. At this time the event is too dependent on HOT funds and doesn't have a timetable to accomplish the desired outcome. The event is scheduled for Thurs-Sun, not Sun-Thurs and there is confusion regarding the actual dates. This event doesn't meet the ROI and the budget shows it to be a negative income event. We hope to see these issues addressed in the future.



## Application for City of Wimberley HOT Funds

*Instructions: Type or print clearly. If not enough space is provided please attach additional pages.*

### Organization/Group/Facility Information

Organization/Group/Facility Name: Wimberley Valley Arts and Cultural Alliance (WVACA)

Address: P.O. Box 608

City: Wimberley

State: Texas

Zip: 78676

Contact Name: Sharon Reece, Executive Board Member Contact Phone: 831-601-2395 (cell)

Contact Email: sharonreece37@gmail.com

Website Address for Event or Organization: www.wimberleyarts.org

Non-Profit or For-Profit Status: Non-Profit 501 (c) 3

Federal Employer Identification Number (FEIN) (If available) 46-5725493

Purpose/Mission of Organization: MISSION: The Wimberley Valley Arts and Cultural Alliance (WVACA) promotes a vibrant cultural arts community through appreciation, collaboration and education.

ACTIVITIES: Since our inception in 2014, we have added most of the arts and cultural organizations in Wimberley to our membership roster. We have produced events like the Bootiful Wimberley project (50 boots painted by local artists and on display all around town,) the WimberleyALIVE! Music and Arts Fest in 2015, and are leading the Blanco River Monument Project, which will place a monument to the river and the flood of 2015, plus a surrounding park, on the south bank of the Blanco River near the bridge. All of these projects have already brought hundreds if not thousands of visitors to Wimberley and have the potential to bring thousands more.

General Event/Program Information

Name of event/program to be funded: WimberleyALIVE! Music and Arts Festival 2016

Primary location of event/program: On the Wimberley Square, primarily on the grounds surrounding Santa Fe Connection

Date of event/program: November 10-13 (Thursday night through Sunday afternoon)

Expected attendance: 1,500

How many times have you held this event/program? The first WimberleyALIVE! event was scheduled for late October, 2015, and included live music on 5 stages around the Square. The event was cancelled because of the Halloween flood which destroyed portions of the Square. One part of that year's ALIVE! program was the Walk of Remembrance, which was held Thursday, October 22, and attended by approximately 600 people. A New Orleans Jazz Band that performed at the river blessing was scheduled to lead a 2<sup>nd</sup> Line procession from Rio Bonito to the Square—but again, rain forced a change of plans and the band plus participants were taken to the Community Center for the conclusion of the event. Undaunted, we produced a smaller version of the event on Thanksgiving weekend, which was bitterly cold and windy. Despite the fact that we were unable to publicize the event as heavily as our October ALIVE!, we estimate attendance at about 500 people.

If the funding requested is for a permanent facility rather than a specific event (e.g. museum, visitor center, convention facility), please complete this section: NOT APPLICABLE

Anticipated number of visitors/attendance monthly/annually: 1,500 for Wimberley ALIVE!

Number of those visitors/attendance who are staying in Wimberley lodging: Estimated ~ 500

For each of the last three times the event/program has been held, list the year held, the number of attendees and the method of determining attendance (crowd estimates, ticket sales, sign-in sheet, etc.

Year Held	Number of Attendees	Methodology
-----------	---------------------	-------------

2015

~ 500

Head counts of people in the music tent at various times during the 2 days of music

Identify the HOT category for which the event/program will benefit (refer to Page 1): 4- Arts Promotion  
What is the primary purpose of the event/program for which this application applies? To further support Wimberley's 2015 designation as a Texas Cultural District, the purpose is to bring people to Wimberley to shop, eat and stay overnight in our unique lodging venues by showcasing the abundance of art and music in Wimberley.

**Funding Request**

Total Event/Program Budget: \$ 32,000 Total Amount Requested: \$ 20,000

Percentage of total event or program cost to be covered by the requested HOT funds: 69%

How will the funds be used? To pay for rental of tents, chairs, tables, porta potties, etc.; to pay for security during the event and at night; to pay for a portion of the musician fees; for advertising and printing; for supplies for the Children's Art Creation booth; Hospitality tent food for artists and musicians

**Advertising and Promotional Activities**

Please indicate all the promotional efforts your organization is coordinating:

   xx     Newspaper

   xx     Radio

   xx     TV

   xx     Internet

   xx     Social Media

   xx     Email

   xx     Other: Posters, flyers

Will you submit press releases about the event/program?    xx     Yes     No

If so, list the number of releases plus targeted media outlets. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

What geographic area does your advertising and promotion reach? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Projected Promotions and Tourism Benefits**

Over the last three times your event/program was held, how much HOT fund assistance did your organization receive and how many hotel rooms were occupied as a result? NOT APPLICABLE

Month/Year	Assistance Amount	Number of Occupied Rooms
_____	_____	_____
_____	_____	_____
_____	_____	_____

How many people attending this event/program are expected to stay in Wimberley hotels? 500

How many nights will they stay? 2-3, Thursday or Friday to Sunday

What is the estimated Primary ROI for this event/program? 200 lodging nights @ \$130=\$26,500 (ROI @2:1=\$13,250)

What is the estimated Secondary ROI for this event/program? \$20,250 non-lodging income (ROI @ 3:1= \$6,750)

How will you measure the impact of this event on Wimberley hotel activity? Reports from the Wimberley Lodging Associations; drawings each day at event for door prize (with lodging listed on entry form)

Please list other organizations, government entities and grants that have offered financial support to your

event/program. \_\_\_\_\_

**REQUIRED Supplemental Information and Documentation**

Please attach the following to the application prior to submission:

- Proposed marketing plan for the event/program for which funds are being requested.
- Schedule of activities relating to the event/program.
- Current budget for the event/program.
- Documentation demonstrating the potential to generate overnight guests such as historical information or surveys on the number of hotel rooms resulted from previous years of the same event/program.
- Source and verification of the 30 percent of funding you are contributing toward the event/program.

Initial

I have read the HOT Funding Application process including the rules governing the application and the reimbursement process.

                     Initial

I understand that if I am awarded HOT funding by the city, any deviation from the approved project or from the rules governing the application may result in the partial or total withdrawal of HOT grant funds.

                     Initial

I understand that all the records that relate to the use of HOT funds shall be kept by WVACA (Organization), subject to Chapter 351 of the Texas Tax Code as amended and Chapter 552 of the Texas Government Code as amended. Records of WVACA (Organization) concerning HOT funds are public and the city shall, upon written request, have the right to inspect and or obtain all books and records pertaining to the fulfillment of this Agreement.

                     Initial

I understand that the city may terminate this Agreement by giving the other party notice in writing of such termination sixty days in advance. Any municipal hotel occupancy tax proceeds, not used, shall revert to the city upon the termination of this Agreement.

                     Initial

Eileen "Chick" Morgan, PhD  
Authorized Signature

July 15, 2016  
Date

Eileen "Chick" Morgan, PhD.  
Print Name

WimberleyALIVE! 2016 Event Chair; Wimberley Valley Arts and Cultural Alliance, Inc.(WVACA)  
Title and Organization

Applications may be submitted by mail, email or in person to:

City of Wimberley  
P.O. Box 2027  
Wimberley, Texas 78676

Email: [dferguson@cityofwimberley.com](mailto:dferguson@cityofwimberley.com)

Wimberley Valley Arts and Cultural Alliance (WVACA)  
**WimberleyALIVE! Music and Arts Festival 2016**

**BUDGET**

As of July 29, 2016

**INCOME:**

\$11,000	Sponsorships & Donations
500	T-shirt income
4,000	VIP Ticket Package Sales (20@\$200)
<u>20,000</u>	HOT grant
<b>\$35,500</b>	<b>TOTAL INCOME</b>

**EXPENSE:**

\$ 9,000	Logistics (tents, tables, chairs, porta-potties, security, signage, banners)
12,000	Musician fees
5,000	Media placements
5,000	Marketing (festival brochure, t-shirts, posters, flyers,etc)
1,000	Children's Art Village Tent
500	Hospitality Tent
1,000	VIP Package expense
<u>2,000</u>	Preview/VIP Party expense (Thursday evening)
<b><u>\$35,500</u></b>	<b><u>TOTAL EXPENSE</u></b>

While we received a \$6,000 loan from WVACA as "seed money," this money will be repaid to WVACA at the conclusion of the event, assuming we meet our income projections and stay within budgeted expenses. This loan is not listed in the budget.

## DOCUMENTATION OF POTENTIAL TO GENERATE OVERNIGHT GUESTS

Last year's WimberleyALIVE! Music and Art Festival was the first attempt by WVACA at this kind of multi-pronged event in downtown Wimberley. As the event was cancelled by the Halloween flood, we were not able to capture any lodging figures. We assume that reservations were cancelled at a very high rate, as television news programs talked about the "whole Wimberley Square being flooded."

However, anecdotal information and tax receipts show that the Friday of the re-scheduled event (Thanksgiving Weekend) was the strongest "Black Friday" in terms of sales in recent Wimberley history.

This would indicate that there were more people in town to shop, and the WimberleyALIVE! Music and Art Festival was what kept people in town for a longer period of time.

While we have no hard historic data regarding lodging, we have three ways to try to document overnight stays this year:

1. We will check with lodging associations after the event to determine how many rooms were used as a result of the Festival.
2. We will hold raffles during Friday and Saturday of the Festival with a question about lodging on the raffle entry form.
3. We will also have a sign-in sheet for the Thursday night Preview Party to determine where attendees are staying Thursday night.

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: FEB 10 2015

WIMBERLEY VALLEY ARTS AND CULTURAL  
ALLIANCE  
PO BOX 608  
WIMBERLEY, TX 78676-0608

Employer Identification Number:  
46-5725493  
DLN:  
17053002325035  
Contact Person:  
THOMAS C KOESTER ID# 31116  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Public Charity Status:  
509(a)(2)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
May 7, 2014  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

For important information about your responsibilities as a tax-exempt organization, go to [www.irs.gov/charities](http://www.irs.gov/charities). Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

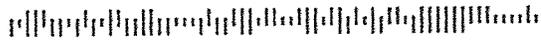


Director, Exempt Organizations



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
CINCINNATI OH 45999-0023

002662.449853.81504.7483 1 MB 0.435 850



WIMBERLEY VALLEY ARTS AND CULTURAL  
% CATHY MOREMAN  
PO BOX 12  
WIMBERLEY TX 78676

002662

Date of this notice: 05-28-2014

Employer Identification Number:  
46-5725493

Form: SS-4

Number of this notice: CP 575 C

For assistance you may call us at  
1-800-829-4933

IF YOU WRITE, ATTACH THE  
STUB OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 46-5725493. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 944  
Form 940

01/31/2016  
01/31/2016

If you have questions about the form(s) or the due dates(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, Accounting Periods and Methods.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, Entity Classification Election. See Form 8832 and its instructions for additional information.

WINNBERLEY ALIVE! MEDIA

2016

Media	Size	Date	Dates	Cost Per Ad	Contact	e-mail	phone
Austin 360 tabloid print ad	1/4 pg v		finished= 2 days before	1,450.00	Dan Adams	dan.adams@coxinc.com	512/445-3827
Dripping Springs News Dispatch	1/4 pg v		Art sent= a week before the publish date		Paula Pulley	dallaspaula@yahoo.com	214/797-3206
Hays County Free Press	1/4 page v		Art sent= 5 days before the publish date	645.00	Chelsea Bourque	dallaspaula@yahoo.com	214/797-3206
San Antonio Current	1/4 page v			1,200.00	Susan Sisson	edouarque@sacurrent.com	210/995-4172
Winnberley View	1/4 page v			259.88	María Martínez	ssisson@winnberleyview.com	512/847-2202
Houston Chronicle Star	3.2x4.75 + online		2 to 6 weeks before the event. To be determined depending on funding.	575.00	María Martínez	María.Martínez@cron.com	832/675-3840
The Rivard Report (San Antonio)			To be determined depending on funding.				
MY SA (San Antonio)			To be determined depending on funding.				
Facebook ads							
<b>GRAND TOTAL</b>				<b>5,000.00</b>			
However much we would like to spend.							
<b>FREE LISTINGS</b>							
Austin American Statesman, Austin360.com			<a href="http://events.austin360.com/">http://events.austin360.com/</a> <a href="http://www.austinchronicle.com/gvobase/EventSubmission">http://www.austinchronicle.com/gvobase/EventSubmission</a> <a href="http://austinsocialblanner.com/submit-an-event/">http://austinsocialblanner.com/submit-an-event/</a> <a href="http://jharconews.com">http://jharconews.com</a>				online form
Austin Chronicle Event Listings Austin Social Planner			<a href="https://boernewsstar-dad-com.blogxcms.com/users/admin/calendar/event?referer_url=/calendar/pagc@bartonpublicationsinc.com">https://boernewsstar-dad-com.blogxcms.com/users/admin/calendar/event?referer_url=/calendar/pagc@bartonpublicationsinc.com</a> <a href="http://www.hillcountryvisitor.com/EventListing.html">http://www.hillcountryvisitor.com/EventListing.html</a>				online form
Blanco News Boerne Star			<a href="https://boernewsstar-dad-com.blogxcms.com/users/admin/calendar/event?referer_url=/calendar/pagc@bartonpublicationsinc.com">https://boernewsstar-dad-com.blogxcms.com/users/admin/calendar/event?referer_url=/calendar/pagc@bartonpublicationsinc.com</a> <a href="http://www.hillcountryvisitor.com/EventListing.html">http://www.hillcountryvisitor.com/EventListing.html</a>				online form
Hays News Dispatch			<a href="http://www.hill-country-visitor.com/form/free-calendar-tickets.aspx">http://www.hill-country-visitor.com/form/free-calendar-tickets.aspx</a>				online form
Hill Country Visitor			<a href="http://www.hill-country-visitor.com/form/free-calendar-tickets.aspx">http://www.hill-country-visitor.com/form/free-calendar-tickets.aspx</a>				online form
Houston Chronicle Springo			<a href="http://www.myfoxaustin.com/">http://www.myfoxaustin.com/</a>				news@kabb.com
KABB TV 29 (fox)			<a href="http://www.myfoxaustin.com/">http://www.myfoxaustin.com/</a>				News@fox7.com
KBTC TV 7 (fox)			<a href="http://www.kens5.com">http://www.kens5.com</a>				Newstips@kens5.com fax (210) 366-2716
KENS TV 5 (CBS)			<a href="http://www.kens5.com">http://www.kens5.com</a>				news@kens5.com
KEYE TV (CBS) (We Are Austin)			<a href="http://www.keye.com/">http://www.keye.com/</a>				news@keye.com
KGNS-AM Radio New Braunfels			<a href="http://www.kgns.com/">http://www.kgns.com/</a>				news@kgns.com
KUTV-FM Radio (PBS)			<a href="http://www.kutv.com/">http://www.kutv.com/</a>				news@kutv.com
KVUE TV 24 (ABC)			Must be jpeg				news@kvue.com phone (512) 459-9442
Lone Star Art Guild			<a href="mailto:delzard@startr.com">delzard@startr.com</a>				



## Schedule of Activities for WimberleyALIVE! Music and Arts Festival 2016

### Thursday, November 10, 2016:

#### 6:00 pm: VIP Preview Party

This activity, to be held at Wimberley Glass Works, will include invitations to everyone attending the WimberleyALIVE! event, with special emphasis on all Sponsors, VIP pass holders, as well as anyone interested in viewing the musician autographed guitar, which is a part of the VIP ticket package.

Hand-crafted, one-of-a-kind bowls to be used at the Crisis Bread Basket's "Empty Bowl Lunch" on Sunday, November 13, will also be on display. (The Empty Bowl project is not an official part of the WimberleyALIVE! event. However, the WimberleyALIVE! event immediately precedes the Empty Bowl event and helps build excitement for that event, produced by Crisis Bread Basket.)

### Friday, November 11, 2016:

#### 5:00 pm- Music Begins on the stage at Santa Fe Connection and RR 12

#### 10:00 pm: Music lasts Friday evening from 5:00 pm-10:00 pm.

Headliners this evening include *Redd Volkaert* and *Javier Chaparro y Salud*.

Local musician Marvin Bottera MCs the show.

Door prize drawings are held to capture local lodging activities of festival participants.

Saturday, November 12, 2016:

10:00 am-

10:00 pm: Music continues on the stage at Santa Fe Connections

Children's Art Village is in full swing

Art Show from 10:00 am-5:00 pm

Music headliners for today include *Dale Watson* and *Beto and the Fairlanes*, plus at least 8 other musical performances. Local performers include *Marvin Bottera and Broken Glass*, *The Collie Family* and *Kim Miller with Karen Mal*, with more performances by local musicians being booked.

Wimberley ALIVE! Art Show plays a big part of today's activities, as does the Children's Art Village.



July 27, 2016

The Board of Directors of the Wimberley Valley Arts and Cultural Alliance, at the Board Meeting held June 6, 2016, voted unanimously to loan the Wimberley Alive 2016 Event six thousand dollars, (\$6000). This is meant to provide the initial seed money for the event.

In addition, the following contributions have been received and deposited as of July 27, 2016.

Blanco National Bank	\$100
Ozona Bank	\$5000
Junkin Law Office	\$100
Pam Rudd	\$500
D & D Insurance Company	\$500
Jennifer Scharlach	\$100
Anonymous	\$1000
Sleepy Hollow Properties	\$3000
Ace Hardware	<u>\$ 500</u> (Committed but not collected; see attached Sponsorship Form from Ace Hardware for commitment)

**TOTAL TO DATE**                    **\$10,800** This amount represents 30% of our \$35,500 event budget

Total contributions for the Wimberley Alive 2016 Event as of July 27, 2016 are **\$10,800 in sponsorships**, plus a \$6,000 loan from WVACA as seed money. This money is all in WVACA's bank account, with the exception of the Ace Hardware sponsorship, which is documented by an attached Sponsorship Commitment form.

Robert P. Smith, Treasurer, WVACA

**Wimberley ALIVE! Art and Music Festival and  
Crisis Bread Basket 30<sup>th</sup> Anniversary Empty Bowl Celebration**

Location: Santa Fe Connection, Wimberley Square

Dates: Friday, November 11 - Sunday, November 13, 2016

(Empty Bowl event will take place on Sunday, November 13 from 11:00 – 2:00 p.m.)

Potential Attendees: 300 - 500



**\$5000 – Community Bowl Presenting Sponsor (no more than two available)**

- Co-branding of the events
- Introduction of Community Bowl Sponsor representative at Opening Ceremony
- Speaking Opportunity at the Empty Bowl Event on Sunday
- Ten tickets to events
- Table signage at events
- Repeated mention of sponsor by Wimberley Valley Radio remote broadcast at events
- Recognition in Wimberley View Ad
- Recognition in advance promotional materials
- 4'x10' banner at event (you provide)
- Opportunity to provide promotional items for branded gift bags for attendees
- Commemorative display item for place of business
- Recognition in event program
- Logo on Wimberley Alive! Website and Crisis Bread Basket website

**\$3000–Until No one is Hungry Sponsor (no more than 5)**

- Six tickets to event
- Recognition in advanced promotional materials
- Introduction of No one is Hungry Sponsor representative at event
- 4'x6' banner at the event (you provide)
- Mention of sponsor by Wimberley Valley Radio remote broadcast at events
- Recognition in event program
- Opportunity to provide promotional items for branded gift bags for attendees
- Commemorative display item for place of business
- Logo on Wimberley Alive! Website and Crisis Bread Basket website

**\$1000 – Pottery of Hope Sponsor**

- Four tickets to event
- Logo on CBB Website
- Recognition in event program
- Recognition in advanced promotional materials
- 3'x5' banner at event (you provide)

**\$500 – Serving Together Sponsor**

- Two tickets to event
- Recognition with logo on CBB website
- 2'x4' banner at Event (you provide)
- Recognition in event program

**\$100 – A Seat at the Table Sponsor**

- Two tickets and recognition at event and in program
- Name listed on brochure and website

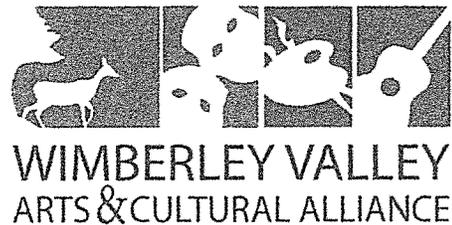
**Soup / In-kind Sponsor – Providing product and or service sponsorship valued at \$500 or more**

- Two tickets to event
- Recognition in advance promotional materials
- Recognition in program
- Signage at event

Name of Sponsor WIMBERLEY ACE HARDWARE Level \$500.00  
Contact Name CHRIS DEGENERAT Phone 512-847-2356 Email WWW.WIMBERLEYACE.COM  
Mailing Address 14307 RANCH ROAD 12 City & Zip WIMBERLEY, TX 78676  
Check enclosed  Please Invoice

Please email an electronic copy (high resolution) of your logo (as you want it used) and return this form to: Crisis Bread Basket at [wimberleycrisisbreadbasket@gmail.com](mailto:wimberleycrisisbreadbasket@gmail.com).

*Proceeds from this event will benefit the Crisis Bread Basket to fight hunger in Wimberley and the Wimberley Valley Art and Cultural Alliance. Both Crisis Bread Basket and the Wimberley Valley Art and Cultural Alliance are separate 501(c)(3) nonprofits.*





P.O. Box 12  
Wimberley, Texas 78676  
(512) 847-2201  
info@wimberley.org  
www.wimberley.org

BOARD OF DIRECTORS

July 28, 2016

**Executive Committee**

Sherri Cline  
Chair

Don Ferguson  
City of Wimberley

Brent Pulley  
Vice Chair

221 Stillwater  
Wimberley, Texas 78676

Michael Harthcock  
Treasurer

Judy Roach  
Secretary

Dear Don,

**Directors**

The Wimberley Valley Chamber of Commerce and Convention and Visitors Bureau Board of Directors, John Palumbo and I look forward to working with the City of Wimberley to promote and support tourism in our beautiful city.

Stan Allen

April Anderson

Enclosed you will find an Application for City of Wimberley HOT Funds to support the operational and maintenance expenses of the Wimberley Valley Visitor Center. The application also includes two supporting documents - Annual Expenditures and CVB Postage.

Linda Germain

LD Hansen

John Kimbrew

If you have any questions, please contact me or any of the board members.

Dan Moore

We look forward to hearing the results of the first round of funding decisions.

Jerri Roberts

Barbara Rosen

Sincerely,

Michael Scott

A handwritten signature in cursive script, appearing to read "C Moreman".

**Executive Director**  
Cathy Moreman

**Finance Director**  
John Palumbo

Cathy Moreman  
Executive Director

Encl.

Rec'd.  
7/29/16

The mission of the Wimberley Valley Chamber of Commerce is to promote community and economic prosperity while fostering strong alliances.